

## Labour seeks repeal of anti-PLO law

TEL AVIV (R) — Israel's Labour Party voted overwhelmingly on Tuesday to fight for the repeal of an Israeli law banning contacts with the Palestine Liberation Organisation (PLO), but its senior leaders said they still opposed talking peace with the organisation. Labour, Israel's main opposition party and the dominant political force until losing to the Likud bloc in 1977, is setting its platform for the 1992 national elections at a three-day congress that opened Tuesday. Prime Minister Yitzhak Shamir's headline government drew international criticism when police recommended last week that Hana Ashrawi, spokeswoman for the Palestinian delegation at the Madrid peace conference, be prosecuted under the anti-PLO law. On Monday a state attorney recommended that Dr. Ashrawi not stand trial. Israel's attorney-general has yet to give the final determination regarding Dr. Ashrawi. "We as a party stand today... for the cancellation of this law forbidding meetings with the PLO on the grounds that it is completely undemocratic," said Labour Member of Parliament David Libai, president of the congress. In 1986 Labour had joined Likud in passing the law banning meetings with the PLO. Mr. Shamir's Likud-led coalition government refuses to talk with the PLO.

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## PLO: Settlement halt before more talks

TUNIS (R) — The Palestine Liberation Organisation (PLO) said Tuesday that Israel should halt the building of settlements in the occupied territories before the next phase of talks between Arabs and the Jewish state. "The question of stopping colonisation is not negotiable and it must be solved before any resumption of talks," PLO spokesman Ahmad Abdul Rahman told Reuters at the end of a five-day meeting of the PLO executive committee in Tunis. The peace conference, which began in Madrid at the end of October, should resume later this month, with bilateral negotiations between Israelis and Palestinians, probably in Washington. While the PLO played no direct role in the talks, the Palestinian delegation was taking part with its blessing and support. In a statement issued by the Palestinian news agency Wafa, the PLO said a resumption of talks with Israel was linked to "a halt to colonisation" and the "international protection of Palestinians living in the occupied territories."

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## Cabinet reinstates 53 civil servants

AMMAN (Petra) — The Cabinet Tuesday held a meeting under the chairmanship of Prime Minister Taher Masri and decided to reinstate or appoint 53 persons who were either sacked from their government jobs or were not allowed to work with the government for political or security reasons.

## Mubarak to go to Syria soon

CAIRO (R) — Egypt's President Hosni Mubarak will visit Damascus in the next few days for talks with Syrian President Hafez Al Assad on the Middle East peace process, the Syrian ambassador to Egypt said Tuesday. "The two presidents will discuss coordinating the position of the two countries in the second stage of peace negotiations," Issa Darwish said in an interview with Egyptian state radio. Egyptian presidency officials, with Mr. Mubarak on a visit to France, were not immediately available for comment.

## Lebanon's chief peace negotiator quits

BEIRUT (R) — The head of the Lebanese negotiating team for the Arab-Israeli peace talks resigned Tuesday, official sources said. A replacement for Zafer Al Hassan, ambassador in charge of political affairs at the Foreign Ministry, would be named soon. The sources said only that Mr. Hassan had quit because "he has other responsibilities at the ministry." Mr. Hassan led Beirut's team at its sole session of bilateral talks with Israel at the Madrid peace conference. Foreign Minister Faris Bouteh represented Lebanon in the formal opening stage of the historic talks.

## Lebanese army deploys in U.N.-policed zone

TYRE (AP) — Government troops deployed for the first time in a U.N.-policed village in South Lebanon to halt inter-Shiite battles that killed two people and wounded 12, police said Tuesday. In a separate event, Israeli gunners fired 16 artillery rounds on suspected guerrilla bases in Iqlim Al Tuffah north of Israel's self-styled "security zone" in the south. Police reported no casualties from the midnight (2200 GMT Monday) bombardment. Police said a 120-mm Lebanese army unit in three tanks and 18 armoured personnel carriers rolled into the U.N.-policed village of Teir Dibba before sundown Monday to disengage the warring combatants.

## Ireland protests to Israel after Irish soldier shot in Lebanon

DUBLIN (AP) — Ireland protested to Israel Tuesday over the killing of an Irish soldier in South Lebanon. Israeli-backed militia opened fire on a United Nations patrol in South Lebanon Friday, killing Michael McCarthy. Another Irish soldier was wounded. Corporal McCarthy was serving in the 700-member Irish contingent of the U.N. peacekeeping force. Foreign Minister Gerry Collins summoned Israeli Ambassador Yoav Biran and told him, the shooting was an "unwarranted and unprovoked attack" by forces which were "de facto under Israeli control."

## Fighting continues in Mogadishu

NAIROBI (AP) — Fighting continued in sections of the Somali capital Tuesday, a day after President Ali Mahdi Mohammad reportedly was overthrown by his chief rival, aid sources said. The fighting appeared contained in Mogadishu's northwestern corner where Mr. Ali Mahdi has a home and which traditionally is a stronghold of his Abgal clan, said sources in contact with their representatives in the embattled city. "It would suggest that Ali Mahdi is not as finished as they say he is," one of the sources said. Mr. Ali Mahdi's whereabouts remained unknown.

# Government presents JD 1.27b draft budget

## JD 107m deficit; capital expenditure up by JD 108m; 'sufficient' allocations for expansion of services

By P.V. Vivekanand  
Jordan Times Staff Reporter

AMMAN — The outgoing government of Prime Minister Taher Masri Tuesday unveiled a JD 1.27 billion draft budget for the year 1992 with a deficit of JD 107 million — a slush in deficit by half over 1991.

The draft budget, which will be presented to Parliament before the end of this month for debate during the legislative authority's regular session beginning in December, reflects an increase of 10 per cent above the 1991 budget.

The deficit will be covered by external and internal loans. The JD 107 million deficit before financing represents slightly less than four per cent of the estimated gross domestic product (GDP), but it was not immediately known whether the actual deficit with financing will be compatible with the levels sought by the International Monetary Fund (IMF).

A cabinet statement carried by

Jordan Television noted that foreign exchange reserves of the country had gone up dramatically and said industrial production had achieved an increase of 15 per cent during the past three months. Quoting a Central Bank of Jordan bulletin, the statement said the increase in industrial production was the highest ever recorded in Jordan's history.

The main features of the budget are: — Domestic revenues, including recovered loans, are estimated at JD 882 million — 94.3 per cent of the total current expenditure. The corresponding figure for 1991 was originally estimated at JD 752 million, but the cabinet statement issued Tuesday said this was reassessed and raised to JD 769 million.

— External committed grants are estimated at JD 281 million, including JD 105.3 million in grants due in 1991 but expected to be paid in 1992. The estimated external assistance in grants and loans in the 1991 budget was

JD 200 million. — Total current expenditure is estimated at JD 940 million and capital expenditure at JD 338 million — an increase of 6.4 per cent and 46 per cent respectively over the figures for 1991.

— JD 45 million have been allocated for pay increases for civil and security personnel including the Armed Forces, as well as pension bikes for retired servicemen and civil servants.

— The cabinet statement indicated that the GDP was expected to be around JD 2.8 billion by saying that the JD 338 million allocation for capital expenditure was around 12 per cent of the GDP. It said the JD 108 million increase in capital expenditure in 1992 over the corresponding figure for 1991 was devoted to providing and expanding the basic facilities local infrastructure for development.

While no definite details were immediately available, this increase was interpreted as warranted by the return of a quarter

million expatriates and their families from Kuwait and other Gulf states in the wake of the Gulf crisis.

The cabinet statement did not give details of the various allocations, but emphasised that "sufficient" amounts were provided for to increase basic services. It cited as an example a rise of 8.2 per cent in the current expenditure and 29 per cent in capital expenditure for the Health Ministry but did not give figures.

According to the statement, allocations are made to create 6,300 new jobs in government departments and security forces as well as other public institutions. In addition, the allocation for vocational training will be boosted by 10 per cent, the statement said, noting that the vocational training corporation had trained 14,000 people during the year.

The government will also give priority to job-creating projects

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## Freed hostages rejoin families, say remaining captives will be free soon

The Associated Press

PLEDGING NOT to rest until all Middle East captives are released, freed hostage Terry Waite arrived home Tuesday. In Wiesbaden, Germany, fellow former hostage Thomas Sutherland had a long-awaited reunion with his wife and one of his daughters.

Their release on Monday leaves only six Westerners missing in Lebanon, and was accompanied by strong signals the hostage ordeal may at last be ending. Six long-time hostages have been freed this year, the most in any year since the first Westerner was seized nine years ago.

Mr. Waite, who captured in Lebanon in 1987 while trying to negotiate the release of hostages, reiterated on arrival in Britain that he had been assured the three remaining American hostages would be freed this month. He added it was hoped the two German hostages would be freed by year's end.

Official Iranian radio also said Tuesday that the release of the Americans was imminent. But it tied the fate of the German captives to that of a pair of convicted Lebanese in Germany.

Most of the hostages are be-

lieved held by Shiite factions linked to the Iranian-allied Hizbollah.

U.N. Secretary-General Javier Perez de Cuellar — who has led recent efforts to free the hostages — said Monday he believes all Western captives may be freed by Christmas.

"It is wrong to hold people in such a way," the 52-year-old Waite said Tuesday. "It is self-defeating and those who do it fall well below civilised standards of behaviour, no matter who they are and no matter what their nationality or what organisation they belong to."

Mr. Waite reached his homeland on what he called a "typical English day" — rainy. He told reporters and well-wishers at Lymington air base west of London that after "1,763 days in chains, it's an overwhelming experience to come back and receive your greetings."

Mr. Waite, who went to Lebanon as an envoy for the Church of England, said: "Those from whom I have just come can be assured that we in the church for our part will not rest until all are freed and there is justice and peace brought to people who deserve a better deal."

Mr. Waite did not refer directly to Israel or any other country. The Jewish state has been the third partner in a broad exchange of Western hostages, hundreds of Lebanese prisoners under Israeli control and Israeli soldiers missing in Lebanon. At least one Israeli soldier is believed to be a captive.

There was concern in Israel that it had been left out of the latest hostage developments. Uri Slonim, an Israeli defence ministry lawyer and hostage negotiator, told Israeli radio Mr. Waite and Mr. Sutherland "were freed without any involvement by us."

Israel Foreign Minister David Levy urged mediators "to act without any discrimination until everyone is released, including our prisoners." And Israeli Prime Minister Yitzhak Shamir said he was "upset and disappointed" by the slow progress in getting information on missing Israeli soldiers.

In Germany, Mr. Sutherland, also said the other American hostages would soon be released. "In about a couple of weeks, all of the Americans will be freed, hopefully," the 60-year-old said. (Continued on page 2)

## Syrian team delays visit

By a Jordan Times Reporter

AMMAN — A scheduled visit by a five-member Syrian delegation for coordination talks with Jordanians and Palestinians has been postponed in view of the government change in Jordan, a senior official said Tuesday.

The delegation, which was due to arrive Tuesday for the bilateral consultations ahead of the next round of Arab-Israeli bilateral talks, is expected to come early next week, the official said.

"The Syrian delegation delayed its visit until the new government takes over," said the official. "The delegation will meet Jordanian officials as well as delegation members so it makes sense to wait until the new cabinet members are announced."

Sharif Zeid Ben Shaker, who is taking over following the resignation of Prime Minister Taher Masri, is expected to announce his cabinet by Thursday.

Foreign Minister Kamel Abu Jaber said Monday the Syrian delegation, headed by Zakaria Ismail, would meet with Jordanian and Palestinian delegates to peace negotiations to discuss strategies and set priorities ahead of bilateral talks. Dr. Abu Jaber also said Syrian Foreign Minister Farouk Al Sharaa would visit Amman within the next several days, but no specific date has yet been set.

The Jordanian delegation, which was restructured Sunday, met Tuesday evening as part of ongoing preparations for the bilateral talks.

Abdul Shafi arrives

Haider Abdul Shafi, head of the Palestinian team in the joint Jordanian-Palestinian delegation to the Middle East peace conference, arrived in Amman Tuesday to attend coordination and consultation meetings between the two teams of the joint delegation.

Dr. Abdul Shafi said in an interview with Jordan Television that he would meet with members of the Palestinian and the Jordanian teams to prepare for the next phase of the peace process.

He stressed the importance of consultations at this stage and affirmed that the Jordanian-Palestinian coordination was proceeding very well.

Monday's Israeli storming of the Shari'a (Islamic) court in Jerusalem to seize important historic documents, Dr. Abdul Shafi said, was a very bad gesture on the part of the Israelis and he could find no justification for such behaviour.

"This conforms with the Israeli practices which we have known over the years of occupation."



WHIDAT BEATS GUARDS: His Majesty King Hussein Tuesday attended a friendly soccer match between the Royal Guards team and Al Whidat Club held on the occasion of His Majesty's birthday. The match was also attended by Her Majesty Queen Noor, several members of the royal family, Prime Minister Taher Masri, Royal Court Chief Sharif Zeid Ben Shaker, speakers of the Upper and Lower Houses of Parliament, Chief Chamberlain Prince Ra'd Ben Zeid, the Armed

## Sharif Zeid entering final stage of preparations towards government

### He is to be officially designated following submission of Masri's resignation to King today

By Nermeen Murad  
Jordan Times Staff Reporter

AMMAN — Prime Minister-designate Sharif Zeid Ben Shaker has covered enough grounds in his consultations with the leaders of parliamentary blocs and political groups in the country and is entering the stage of putting final touches on his government, which should be announced either today or tomorrow.

According to well-informed sources, Sharif Zeid has had sufficient consultations with the parliamentary blocs to have clear ideas of his government's composition, in terms of parliamentary participation and technocrats from outside the Lower House.

The task of Sharif Zeid now is to translate these ideas into names (of cabinet members), a source close to the consultations told the Jordan Times.

The source expected that an official announcement of the full names of cabinet members will be made Wednesday or Thursday, soon after Prime Minister Taher Masri hands in the resignation of his government, which is expected today.

Mr. Masri is scheduled to formally hand in his resignation to His Majesty King Hussein after his cabinet has completed work on the fiscal budget for 1992 in extensive government meetings Tuesday.

Sharif Zeid was also expected to be officially designated as prime minister today but the

names (of cabinet members), a source close to the consultations told the Jordan Times.

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## Masri: People have final say

Prime Minister Masri Tuesday expressed satisfaction over the government's achievements during the past five months. In a statement to reporters following a Cabinet session, Mr. Masri said the resignation of the government was in support of the democratic march and in the framework of rearranging internal affairs. He said the final say on the government's performance will be for the people, affirming that he accepts the people's judgement whatsoever. He added that he will always be serving Jordan and His Majesty King Hussein.

## Jordan, PLO deplore Israeli raid on Jerusalem Sharia court

AMMAN (R) — Jordan and the Palestine Liberation Organisation (PLO) Tuesday condemned an Israeli police raid on an Islamic courthouse in East Jerusalem which prompted calls by Muslim officials for a general strike.

Prime Minister Taher Masri and PLO Executive Committee member Mahmoud Abbas agreed to work together and ask "international parties" to help return documents seized in Monday's raid, the Jordan news agency, Petra, said.

"The two sides also reviewed recent Israeli measures that aim at sabotaging all efforts regarding the Middle East peace conference," Petra said in its report of a late Monday meeting between

Mr. Masri and a PLO delegation. Foreign Minister Kamel Abu Jaber told Petra that Jordan had contacted Washington, which with Moscow is co-sponsoring historic Middle East peace talks, to discuss the threat to Jerusalem as Arab and Islamic city.

"Israel is following a policy of aggression based on not respecting the historic and religious values and (of) attacks against civil and religious rights to incite the feelings of millions of people and empty the peace process from its context," Dr. Abu Jaber said.

Israeli police said during the raid they took material they suspected "incited" Arab resistance to Israel.

Court officials believed the police took papers on property ownership as part of an effort to seize control of Arab-owned houses.

His Majesty King Hussein also telephoned King Hassan of Morocco, who heads an Arab committee on Jerusalem, to discuss the raid, Petra added.

In a statement at a press conference held in Amman Tuesday, Palestine National Council (PNC) Speaker Sheikh Abdul Hameed Sayeb called on Arab, Islamic, and Christian organisations around the world and on the co-sponsors of the peace process to intervene and force Israel to

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## Palestinians stage protest strike

OCCUPIED JERUSALEM (Agencies) — Palestinians in occupied Jerusalem observed a general strike Tuesday and marched to protest against an Israeli police raid on an Islamic courthouse.

The strike day was the fifth in a row. Palestinians had staged a one-day strike in protest at Israeli settlement in the occupied territories and a three-day strike over the killing by police of an Arab Arabing graffiti.

Jerusalem police said they expressed regret to Muslim religious authorities over the raid Monday in which documents were seized. An officer would investigate whether his men acted properly, he said.

The confiscated material came from offices adjacent to the court and would be returned after being examined by police.

Court officials had accused a police of taking papers on property ownership.

Mohammad Nasseibeh, a member of the Supreme Islamic Council created in 1967 to defend Arab holy places, told a news

conference religious leaders were not satisfied with the apology over the raid.

"We want to know who was responsible, who gave the orders and we want these people to be punished for what they did," Mr. Nasseibeh said.

Police meanwhile said they arrested a 16-year-old Palestinian girl from the occupied West Bank after she tried to stab a border policeman in East Jerusalem Tuesday.

Twenty-six Palestinians were hurt in Kerzot detention camp in the Naqab desert in a clash Monday between members of the fundamentalist Hamas movement and Fatah, the army said.

No charge against Ashrawi

Israel Television said late Monday that Israel's state attorney had decided not to prosecute a top Palestinian negotiator for alleged meetings with Palestine Liberation Organisation (PLO) officials.

Dorit Beinisch made the decision after examining a police file

on Palestinian leader Hana Ashrawi, a 45-year-old English literature professor from Bir Zeit University in the occupied West Bank, drew fire from Palestinians and liberal Israelis alike, who said the move is harmful for the U.S.-sponsored Middle East peace process.

The U.S. administration has reportedly warned Israel against

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## Islamic countries urge restraint in Pan Am affair

JEDDAH (Agencies) — The Organisation of Islamic Conference (OIC) urged restraint Tuesday in the Lockerbie affair and said that Libya, a member state, will remain committed to fight terrorism.

A statement issued at the headquarters of the 45-member OIC called for "restraint and for an impartial and methodical search for the truth of facts."

The organisation said it received an official communication from the Libyan government expressing readiness to cooperate in the framework of an international enquiry commission.

The statement also said the OIC received assurances from Libya that it would remain committed to fight terrorism, particularly attacks against the safety of civil aviation.

"The OIC has adopted several resolutions committing members to coordinate efforts with the nations of the world to fight against terrorism and Libya remains attached to the respect of these commitments," the statement said.

The OIC emphasised that Islam is against unjustified violence and said the world still remembers the horror of the explosion over Lockerbie.

American and Scottish legal authorities have issued arrest warrants for two men identified as Libyan intelligence agents allegedly involved in the bombing of the Boeing 747 over Lockerbie, Scotland on Dec. 21, 1988, in which 270 people were killed.

The United States has been considering retaliatory action against Libya in consultations with world powers. Military force has not been ruled out.

Maltese Prime Minister Edward Fenech Adami has again denied that the bomb-rigged suitcase that blew up Flight 103 originated in Malta.

Fenech Adami told parliament Monday that evidence showed the luggage on an Air Malta flight to Frankfurt was accounted for and that there had been no unaccompanied baggage.

U.S. and Scottish authorities contend that the two Libyans routed the bomb-rigged suitcase from Malta to Frankfurt, where it was transferred to the Pan Am flight.

The two agents, Abdul Basset Ali al-Megrahi and Lamien Khalifa Fhimah, have been charged in the United States and Scotland with blowing up the jetliner and killing 270 people. Mr. Fhimah was the manager of the Libyan Arab Airlines office in Malta at the time.

Fenech Adami told parliament that U.S. and Scottish allegations that the bomb was routed through Malta were "speculation." He said Malta had

## Egypt on track with \$2b U.S. tank project

CAIRO (R) — Egypt, ambitious to become a defence manufacturing base for the Arab World, is on track with a \$2 billion project to produce U.S. M-1A1 tanks, similar to those which led the allies to victory in the Gulf war.

Military sources told Reuters that Plant 200, the factory outside Cairo designed to assemble Abrams M-1A1s and refurbish Egypt's existing M-60 tanks and M-113 armoured vehicles, would open officially in January.

The first locally-assembled General Dynamics tank would leave the factory in July, probably coinciding with celebrations of the 40th anniversary of the 23rd of July revolution which overthrew the monarchy.

Egypt is eager to earn big profits for its ailing economy by exporting M-1A1s to Arab oil states in the Gulf. Washington will not allow this at present by military sources said Egyptian Defence Minister Mohammad Hussein Tantawi was optimistic it would do so in future.

Two years ago, Egypt was considering scrapping the entire M-1A1 project as part of a far-reaching review of its defence spending.

Military sources said at the time that Egypt needed to commit \$200 million in 1990-91 in order to qualify for continued U.S. military aid for the project, which was also six months behind schedule.

Cairo decided instead to produce Soviet-designed T-72 tanks with Iraq.

But Iraq's invasion of Kuwait last year put paid to that. Egypt, the United States' main ally in the Arab World, joined a U.S.-led coalition against Iraq. In return, the United States wrote off \$6.8 billion of Egypt's military debt.

The M-1A1 tank project at one point was in financial difficulty, but Egypt is now on course with the project and it hopes to be able to sell the tanks to Gulf Arab states soon, one military source said.

The General Dynamics contract with Egypt, the first export sale of the M-1A1, is a prestigious symbol of the close military ties that have developed between Cairo and Washington over the past decade.

Under the terms of an agreement with General Dynamics, Egypt will get 555 M-1A1 tanks over a 10-year period but is barred from selling them to any third party without U.S. approval.

It has already received 15 tanks produced in the United States. The remainder will come in the form of kits to be assembled in Egypt.

The sources said Egypt locally produces about 30 per cent of the tank and is expected to receive 52 kits during the first 18 months of production. A total of 250 kits will be sent over five years.

Egyptian Defence Minister Mohammad Hussein Tantawi, the sources said, extended his stay in Washington this month from four days to two weeks to urge the U.S. to allow Egypt to sell the tanks in about two years.

## U.N. envoy in Iraq, which fears becoming U.N. colony

BAGHDAD (R) — A top U.N. envoy arrived in Baghdad Tuesday hoping to persuade the Iraqi government to accept a resolution to finance its needs which Baghdad says would turn the nation into a colony of the world body.

Princess Sadruddin Aga Khan, executive delegate of the United Nations secretary-general, will also seek to extend the mandate of U.N. agencies tending the human aftermath of the Gulf war and subsequent rebellions by Kurds and Shiite Muslims.

Asked on arrival if he was optimistic that an accord would be reached by his talks, Prince Sadruddin told reporters: "I certainly hope so, you have to be an optimist in my job."

He declined further comment. Iraqi officials said they would make clear to Prince Sadruddin their anger at the continuation of U.N. sanctions imposed 15 months ago which they say are killing thousands of old, young and weak Iraqis because of shortages of drugs and food.

They will also voice their anger at U.N. Resolution 706, which was approved in August and would allow Iraq to sell limited quantities of oil to finance imports of food and drugs.

The Iraqi government feels it has been let down by the United Nations, its only real link with the Western powers which expelled its occupation army from Kuwait in February, senior U.N. sources say.

The Baghdad authorities believed that compliance with the Gulf war ceasefire resolutions in April would speed the end of the sanctions but now fear that Resolution 706 will replace them and leave the country in an even tighter U.N. grip.

They maintain they are giving full cooperation to U.N. border monitors and to inspectors dismantling its nuclear, chemical and ballistic arms and this should warrant the lifting of the embargo.

Specifically, they object to the fact that 706 would ensure revenue from its abundant oil in an escrow account and make imports subject to a complex system of U.N. checking both at the point of supply and inside Iraq.

"They think we will cheat with the money, but the money isn't even enough to buy the food we need," Oil Minister Usama Al-Hik told Reuters in a recent interview.

Western estimates put the Iraqi government's monthly food bill at \$100 million but this only covers subsidised basic essentials. The rest Iraqis have to buy on a runaway free market.

The resolution would allow Iraq to sell \$1.6 billion of crude but Western estimates say that Baghdad would get only \$900 million after deductions for war reparations, U.N. administrative costs and other charges.

Iraq is also angry at the need for U.N. relief agencies such as the children's body UNICEF whose work, they feel, masks suffering caused by the United Nations itself.

The official Iraqi media have stepped into overdrive in recent days to denounce sanctions, Resolution 706 and what it sees as a plot hatched by the United States, Britain and France to weaken President Saddam's authority.

The Defence Ministry daily Al-Qadisiyah said Monday that Iraq was a victim of "the most disgusting plot in the history of the world" and blamed Washington, London and Paris for it.

## Cabinet

(Continued from page 1)

sources said that he might need an extra day to reach a final decision on the make-up of his government.

The sources said that the 16-member National Bloc, the 18-member Constitution Bloc and the six-member independent Islamist Bloc have all given Sharif Zeid their blessing and support and left for him the task of deciding on how to form his government and how to divide the cabinet seats among parliamentarians and technocrats.

The nine-member Democratic Bloc, a representative of whom has met with Sharif Zeid, had said that the bloc would take final decision on their position towards the new government based on its final make-up and policy statement to Parliament.

The Muslim Brotherhood officially announced that it would not join Sharif Zeid's government but indicated its confidence vote would largely depend on the prime minister's handling of internal issues.

An announcement by the movement Tuesday quoted its spiritual leader, Mohammad Abdul Rahman Khalifa, as saying that his movement will not participate in the new government "under the current circumstances."

"As for the issue of confidence, it is still too early (to make a decision)" the announcement said.

Commenting on the remark, a source close to Sharif Zeid said: "The statement is almost positive. We feel that options are still open (with the Muslim Brotherhood)."

He explained that many factors have entered the political landscape in Jordan since the idea of a Middle East peace conference was first proposed eight months ago. "A government is no longer judged by one issue alone," the source said. "There are a number of local issues that can influence that judgement as well as new factors that can influence the way Jordan's participation in the peace talks is perceived."

The source explained that if the selection of the team of cabinet members could indicate that they are "more able to resist pressures which would lead to concessions in Arab-Israeli talks then that perception could influence the way the negotiations are perceived."

The other change, the source said, "is the clarity of the Palestinian representation (in Arab-Israeli talks) and the legitimacy that that representation enjoys."

Rumours and unconfirmed reports over the make-up of the new government were rampant Tuesday, but all sources contacted by the Jordan Times insisted that it was premature to speculate on names and nothing was final yet.

The reduction in subsidy allocation was interpreted as a government move to reorganise the subsidy system, particularly involving bread and wheat, by early 1992. One of the ideas floated by senior officials is the introduction of bread coupons for Jordanian citizens, excluding commercial organisations, non-Jordanian residents and visitors.

In another move, the government also announced a means to avoid dual taxation and certain exemptions from the recently introduced consumer tax which drew an angry reaction from industrialists. The exemption covers those industries which use raw materials on which they already pay consumer tax at the sources.

According to a list published in the official gazette, these items exclude half iron and alcohol used to produce alcoholic beverages.

All supply contracts made before Nov. 15 with government departments, public institutions, universities, municipal councils, the civilians and military consumers corporation and the national carrier Royal Jordanian were excluded from the consumer tax provision.

## Hostage

(Continued from page 1)

Sutherland said early Tuesday upon arriving at the U.S. Rhein-Main air force base outside Frankfurt.

Mr. Sutherland, dean of agriculture at the American University of Beirut, was kidnapped June 9, 1985.

While Mr. Sutherland rested in the U.S. air force hospital in Wiesbaden, Germany, after a flight from Syria, his wife, Jean, and a daughter, Kit, flew to Frankfurt.

Mrs. Sutherland and her daughter went to the Wiesbaden hospital, where they saw Mr. Sutherland for the first time in 6½ years.

In Damascus, Mr. Waite said Monday one of the kidnappers predicted Americans Alann Steen and Joseph Cicippio would be released "we hope within the next five days." Mr. Waite said he was told Terry Anderson, the longest-held hostage, would be freed by month's end.

Both Mr. Sutherland and Mr. Waite said they were kept for part of the time in the same windowless room with Mr. Anderson, 44, chief Middle East correspondent for the Associated Press, who was kidnapped March 16, 1985.

Six westerners — the three Americans, two Germans and an Italian remain missing in Lebanon. Another kidnapped Briton, Alec Collett, is assumed to have been killed.

Tehran Radio said "there was no good news about the two German hostages," Heinrich Strubig and Thomas Kempner, who were kidnapped May 16, 1989. They are believed held by the security chief of Hizbollah, Abdul Hadi Hamadi.

Mr. Hamadi reportedly wants to swap the captives for his two brothers, Mohammad Ali and Abbas, both held in German prisons. The first is serving a life sentence for his role in the 1985 hijacking of a TWA jetliner and the killing of passengers on board.

Abbas Hamadi was jailed in 1987 for 13 years on kidnapping charges.

Mr. Waite said in Syria that a captor could give him "no further positive information" about the German hostages. But in England Tuesday, he said that while "we were not able to get as definite a report" on the German hostages, it was "hoped that they would be freed by the end of the year."

Neither Mr. Waite nor Mr. Sutherland mentioned Italian businessman Alberto Molinari, who has been reported to have died.

## Sharia

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return 600 files and historic documents they stole from the Islamic Court.

The documents are considered as historic treasures dating back to more than 500 years ago, said Sheikh Sayeh. He said Palestine President Yasser Arafat urged him to hold contacts with the U.N. Security Council to call for an emergency session to discuss the "new Israeli crime in Jerusalem."

Sheikh Sayeh said that he called on the United States and the Soviet Union to impose penalties on Israel for "committing this crime and to halt the Soviet-Jewish immigration immediately and to stop all American assistance to the Jewish state."

By this crime Israel wants to prove to the world its obstinacy and determination to hold on to its occupation of Arab Jerusalem and that it wants to tamper with the Holy City's character and obliterate its Arab and Islamic image, said Sheikh Sayeh.

By stealing the documents, the Israelis are determined to remove the evidence of the Palestine and Muslim people's right to the holy places, he said.

Sheikh Sayeh said that the "Israeli crime should not be condoned by anybody and the Arabs and Muslims will not give up their right and can never condone such acts."

Chief Islamic Justice Sheikh Mohammad Mheilan described as a criminal act Israel's stealing of the Islamic documents. The stealing of documents is "a flagrant violation of human rights and an encroachment on religious and archaeological and historic values," Sheikh Mheilan noted.

He said that it is regrettable to see such acts being committed at a time when the peace process is under way to help restore Arab and Islamic rights in the occupied Arab lands.

## Bandar

(Continued from page 1)

Robert Lipton, chairman of the American Jewish Congress, said Prince Bandar stressed that the Saudis were committed to an active role in the peace effort after decades of exerting their influence from behind the scenes.

"The Saudis have made a decision that they are going to be players in this process," said Mr. Lipton, who joined Mr. Cardin in a briefing for reporters after the two-hour meeting at a midtown hotel.

Both said the Saudi envoy emphasised that he was speaking for the Riyadh government and not merely expressing his own views.

Although Prince Bandar did not discuss whether Saudi Arabia might eventually grant Israeli diplomatic recognition, "he indicated that the issue of Israel's existence is no longer an issue when bilateral talks begin," Mr. Lipton said.

## Strike

(Continued from page 1)

prosecuting Dr. Ashrawi.

Justice ministry officials declined comment on the report on Mrs. Beinish's decision, which still has to be formally approved by attorney-general Yusef Harish.

Israeli liberals immediately praised the reported decision and said it stressed the need to abolish the 1986 anti-PLO law.

Elyakim Haetzni, a hardline legislator who filed the complaint against Dr. Ashrawi, responded in a statement that "it is now clear for everybody in Israel that the rule of law does not apply to the PLO. Israel is not sovereign in Jerusalem."

In another development, some 30 legislators from the opposition parties appealed to President Chaim Herzog, asking him to pardon Abie Nathan, a well-known peace activist who is currently serving an 18-month prison sentence for meeting PLO officials in Tunis.

## Polisario accuses U.N. of leaking documents to Morocco

UNITED NATIONS (AP) — A top U.N. official leaked sensitive files on Polisario Front members in Western Sahara that allowed Morocco to target villages before a truce took effect, a Polisario official said Monday.

The U.N. office in charge of the Western Sahara peace effort denied that any files were leaked.

Madjid Abdullah, Polisario representative to the United Nations, said computer disks with detailed personnel information on 74,030 Saharans, including members of his group, were given to Morocco last summer.

Files containing 1974 census information from the territory, which was then the colony of Spanish Sahara, had been given by the U.N. office earlier this year to Polisario so it could identify members who were dead, and those who were alive and eligible to vote.

Mr. Abdullah claimed that a senior official in the New York

office of Johannes Manz, the U.N. secretary-general's personal representative to Western Sahara, then leaked the revised file with the names of active Polisario members to Morocco.

The computer diskettes would have enabled Moroccan forces in Western Sahara to determine which villages were pro-Polisario of sheltered numerous Polisario members, Mr. Abdullah said.

He said the information was used to target villages for air raids and military strikes last summer.

Polisario claimed that many people lost their lives or were forced to flee their homes during the military operations in August and early September, before a ceasefire took effect on Sept. 6.

Morocco could also use the computer files to learn the names of dead Polisario fighters so it could fraudulently register Moroccan immigrants in the disputed territory under their identities, Mr. Abdullah said.

The United Nations has been organising a referendum in Western Sahara, planned for January, in which Saharans will decide whether they wish to become a new nation or a province of Morocco.

The leak of the files from the U.N. offices in New York "affects the credibility of the United Nations" in the peace process, Mr. Abdullah said.

He filed a complaint to Secretary-General Javier Perez de Cuellar on behalf of the head of Polisario, Bachir Mustafa. It calls for an investigation of the incident.

But the office of the special representative on Western Sahara Monday denied "in the most categorical and unambiguous manner" the Polisario allegations.

The U.N. office said that "no computer diskettes or any related

## Budget

(Continued from page 1)

in the various governorates and provinces, particularly in the area of agriculture and other rural projects, including schools and health centres and other government facilities.

The statement did not make any direct reference to an emergency budget of JD 186.5 million which, according to informed sources, is contingent on the Kingdom receiving external assistance over and above the provisions made in the regular budget.

The 1991 budget had a similar provision for JD 120 million.

The cabinet statement said the government would continue subsidising basic foodstuffs but did not provide any figure. According to informed sources, an allocation of JD 40 million has been made for subsidies in the budget, reflecting a reduction of over JD 20 million for subsidies during 1991.

### TELEVISION

Tel: 773111-19

**CHANNEL TWO**

18:00 Le Monde est a Vous

18:15 News in French

18:30 Azimut

18:45 News in Arabic

19:00 Kite and allie

19:15 Cosmos

19:30 News in English

19:45 Equal Justice

**CHANNEL THREE**

18:05 (Satire) Duka

18:15 Dhuhr

18:30 Ash

18:45 Isha

**CHANNEL FOUR**

18:05 (Satire) Church Socials

18:15 Church of God Church, Tel. 62763

18:30 Church of the Annunciation Tel. 62762

### De la Salle Church Tel. 661757

Terrace Church Tel. 622566

Church of the Annunciation Tel. 625441

Anglican Church Tel. 625383, Tel. 625442

Armenian Catholic Church Tel. 771331

Armenian Orthodox Church Tel. 772661

St. Ephraim Church Tel. 771751

St. Ignace Church Tel. 653266

Evangelical Lutheran Church Tel. 811295

The Church of Jesus Christ of Latter-day Saints Tel. 623824, 649292

Church of the Nazareth Tel. 975691

### WEATHER

Bulletin supplied by the Department of Meteorology.

It will be partly cloudy and there will be a chance for scattered showers of rain, particularly in the northern parts of the country. A drop in temperatures is expected and winds will be south-westerly moderate to fresh.

In Amman, it will be partly cloudy and dry, and winds will be northerly moderate and seas calm.

Min./max. temp.

### USEFUL TELEPHONE NUMBERS

**NIGHT DUTY**

AMMAN:

Dr. Hanna Mamour 748364

Dr. Adnan Zughoul 898149

Dr. Hussein Haddad 731267

Dr. Fakher Bilal 625778

First pharmacy 661912

Ferdows pharmacy 778336

Al Asama pharmacy 637055

Al Salam pharmacy 636730

Yacoub pharmacy 644945

Shamsani pharmacy 637660

IBRD:

Dr. Sakir Al Minteq 2782825

Al Shams pharmacy 2782825

### EMERGENCIES

Food Control Centre 637111

Civil Defence Department 661111

Civil Defence Emergency 199

Rescue Police 192, 621111, 627777

Fire Brigade 891228

Blood Bank 775121

Highway Police 354302

Traffic Police 896390

Public Security Department 63021

Hotel Complaints 602807

Price Complaints 661776

Water and Sewerage 661912

Complaints 897467

Amman Municipality 787111

Telephone Information (directory assistance) 121

Overseas Calls 019230

Central Amman Telephone Repairs 623101

Mobile Telephone Repairs 661101

Jordan Television 773111

### HOSPITALS

AMMAN:

Muscat Medical Centre 813813/32

Khalidi Maternity, J. Amn. 644281/6

Abdullah Maternity, J. Amn. 624412

Jabal Amman Maternity 623262

Malhas, J. Amman 626140

Falastein, Shamsani 664171/4

Shamsani Hospital 845945

University Hospital 667277/9

Al-Musabir Hospital 667277/9

The Islamic, Abdali 666127/37

Al-Ahli, Abdali 666164/6

Italian, Al-Muhajirin 771013/3

Al-Bashir, J. Ashrafiah 775111/26

Army, Marka 891611/5

Queen Alia Hospital 662240/50

Amal Hospital 674155

ZARQA:

Zarqa Govt. Hospital (05)983323

Zarqa National Hospital (05)905660

Bo Sina Hospital (05)986732

Al-Hilam Modern Hospital (05)999990

### FOR THE TRAVELLER

#### QUEEN ALIA INTERNATIONAL AIRPORT

This information is supplied by Royal Jordanian (RJ) information department at the Queen Alia International Airport Tel. (05)53200-5, where it should always be verified.

#### ARRIVALS

Royal Jordanian (RJ) Flights (Terminal 1)

11:10 Tunis, Comblanca (RJ)

11:18 Istanbul (RJ)

11:30 Amsterdam, New York (RJ)

11:45 London (RJ)

12:15 Athens (RJ)

12:30 Colombo (RJ)

12:45 Cairo (RJ)

12:55 New Delhi (RJ)

13:05 Riyadh (RJ)

13:15 Dhahran (RJ)

13:25 Calcutta, Bangkok (RJ)

13:45 Sanaa (RJ)

13:55 Damascus (RJ)

14:05 Jeddah (RJ)

14:15 Dhahran (RJ)

14:25 Amman (RJ)

14:35 Dubai, Abu Dhabi (RJ)

14:45 Dhahran (RJ)

14:55 New York, Amsterdam (RJ)

#### DEPARTURES

Royal Jordanian (RJ) Flights (Terminal 1)

11:10 Tunis, Comblanca (RJ)

11:18 Istanbul (RJ)

11:30 Amsterdam, New York (RJ)

11:45 London (RJ)

12:15 Athens (RJ)

12:30 Colombo (RJ)

12:45 Cairo (RJ)

12:55 New Delhi (RJ)

13:05 Riyadh (RJ)

13:15 Dhahran (RJ)

13:25 Calcutta, Bangkok (RJ)

13:45 Sanaa (RJ)

13:55 Damascus (RJ)

14:05 Jeddah (RJ)

14:15 Dhahran (RJ)

14:25 Amman (RJ)

14:35 Dubai, Abu Dhabi (RJ)

14:45 Dhahran (RJ)

14:55 New York, Amsterdam (RJ)

### MARKET PRICES

Supermarket prices in Jds per kg

Apples 600/500

Bananas 550/400

Beans (Mukannamar) 550/400

Beans 550/400

Cabbage 100/120

Cauliflower 100/120

Cucumbers (large) 180/120

Cucumbers (small) 360/220

Eggplant 220/120

Garlic 800/700

Grapes 900/800

Guava 180/120

Lemon 500/400

Lime 500/400

Marrow (large) 160/120

Marrow (small) 250/200

Onion (dry) 850/750

Onion (wet) 170/120

Pepper (hot) 450/400

Pepper (sweet) 450/400

Potato 300/250

Sage 600/500

Sweet onion 220/150

Tomatoes 420/300

Watermelon 160/120

هذا من اصل



## Jerusalem commission calls on Israel to return stolen documents

AMMAN (J.T.) — The Royal Commission for Jerusalem Affairs Tuesday issued an appeal to the Arab and Islamic worlds to help put an end to Israel's flagrant defiance of Arab and Islamic feelings and to return historic documents which Israeli troops had stolen from the Islamic court in Jerusalem Monday.

Israeli troops stormed the court and its adjacent offices in the holy city, stealing away important documents, some of which date back to more than 500 years.

His Majesty King Hussein Monday evening called King Hassan II of Morocco to discuss the situation. King Hassan is the chairman of the Jerusalem Commission.

The documents stolen by the Israeli troops contain conclusive evidence pertaining to the history of the holy city and the rights of Muslims, said the commission in its appeal.

The commission urged the United States, which is co-sponsoring the peace process, to shoulder its responsibility in deterring the Israeli occupation authorities from repeating such acts and to return the documents to the Islamic Court.

This "atrocious" act is a clear sign that the Israeli authorities disregard international principles and United Nations resolutions as well as the Geneva Conventions, said the statement. The storming of the Islamic Court Monday

afternoon exposes the truth about the Israeli government, which is opposed to the peace process, it added.

The commission is determined to follow up the matter and take the appropriate measures at all levels to ensure the return of the documents stolen from the court, the statement said. According to the Jordan News Agency, Petra, copies of the stolen documents dating as far back as 1536 AD are found at the University of Jordan in Amman.

Jordan officially condemned Israel's act Monday evening and urged the U.S. government and other parties involved in the Middle East peace process to put an end to such acts.

This crime reaffirms that Israel is continuing its pursuit of aggressive policies in flagrant violation of all values and principles and in a manner that would offend the feelings of millions of Arabs and Muslims, said Foreign Minister Kamel Abu Jaber.

As soon as the reports came in, the Jordanian government contacted the United States and other parties to inform them of the serious breach of international law, said Dr. Abu Jaber in a statement to Petra. He said that Jordan would follow up the matter with other Arab and foreign countries to prevent a recurrence of such acts and ensure the return of the stolen documents to the court.

## CAEU expresses concern over accusations against Libya

AMMAN (Petra) — The Council of Arab Economic Unity (CAEU) Tuesday voiced its concern over Western accusations leveled against Libya, saying they pose a threat to the economic and developmental achievements of Libya.

The CAEU Secretary General, Hassan Ibrahim, said such accusations do not only pose threat to Libya's achievements, but also endanger the security and stability of the region and place obstacle in the face of the genuine efforts being made by the international community to start a new era dominated by peace and justice.

In a statement to the Jordan

News Agency, Petra, Mr. Ibrahim said the escalation of the situation does not serve the purposes of all international parties. He pointed out that Libya has voiced its readiness to present the whole issue to international legal tribunals for investigation.

He stressed the importance of collective Arab work in safeguarding Libya's achievements.

Libya has been accused of taking part in the bombing of a Pan Am plane in 1988, which it has denied. Libya's Foreign Ministry has received a British request through the Italian ambassador to Libya to extradite two Libyans charged with the bombing of the plane.

## Jordanian products show cased to foreign officials at fair

KARAK (J.T.) — A six-day industrial fair held here as part of the Kingdom's celebrations of His Majesty King Hussein's 56th birthday ended Tuesday.

A total of 75 Jordanian companies and industrial firms displayed samples of their products, ranging from canned food to plastic products. According to sources at the Amman Chamber of Industry, which organized the fair, a large number of Jordanians and foreigners living in Amman and other areas visited the fair.

Among the non-Jordanians visiting the fair were ambassadors or senior members of staff of foreign embassies in Amman invited by the Chamber of Industry to inspect the various products on display.

Interviewed by the Jordan News Agency, Petra, many people of the southern regions of Jordan voiced their support for such fairs being held in their areas to orient the public on Jordan's national products.

The fair was organized within the campus of Muta University near Karak, which strives to serve the local community.

As well as samples of manufactured products by the 75 firms, the fair displayed samples of handicrafts by charitable and voluntary organizations in the southern governorates of Jordan.

Chamber of Industry President Khaldoon Abn Hassan was quoted as saying that Jordan's industry accounts for 22 per cent of the gross national product

(GNP) and 92 per cent of Jordan's overall exports. He said Jordan's industry absorbs some 80,000 of the country's workers and the nation's manufactured products are being exported to 68 Arab and foreign countries.

The recent development of Jordanian industries, he said in a statement to the local press, has helped to reduce Jordan's dependence of different products on foreign imports and saved the country a great deal of hard currency that would otherwise have been spent on imported products.

Despite the setbacks caused by the Gulf crisis and the continued blockade on Aqaba port by allied ships, Jordanian industry has managed to surge ahead and achieve a high level of quality products, he said.

Mr. Abu Hassan said that the chamber had invited the heads of foreign missions and commercial attaches to visit the fair in Karak to orient themselves on the Jordanian industry and to bolster the Kingdom's commercial ties with their countries.

The commercial attaché at the Bulgarian embassy here was quoted as saying that the visit offered him an opportunity to acquaint himself with the types of goods produced in Jordan.

Chambers of commerce and industry in the south cooperated with the Chamber of Industry in organising the fair, the first of its kind to be held in the south.



Their Royal Highnesses Crown Prince Hassan and Princess Sarvath attend ceremonies Tuesday in

initiating second expansion phase of project to teach mentally retarded work skills (Petra photo)

## Second expansion phase of YMWA workshop initiated

By a Jordan Times Staff Reporter

AMMAN (J.T.) — Their Royal Highnesses Crown Prince Hassan and Princess Sarvath opened at the Sahab Industrial City Tuesday the second expansion phase of the "Sheltered Workshop," which is operated by the Young Muslim Women's Association (YMWA).

The expansion project was financed through a grant from the United States Agency for International Development (USAID) and supplied with a gift collecting system as a result from the government of Japan.

The Prince and Princess toured parts of the workshop and inspected the wood works and the displayed pieces of furniture like cupboards, chairs and tables as well as domestic appliances made by the workshop. They also toured the assembly and packaging units.

At the outset of the ceremony,

the president of the YMWA administrative board, Khawlah Abu Odeh, reviewed the association's role and objectives.

The association, with backing from Princess Sarvath, the YMWA president, established the sheltered workshop in 1987, Mrs. Abu Odeh said.

The sheltered workshop, which allows the mentally retarded to build furniture for the local market, now offers training to 25 students, Mrs. Abu Odeh said. The workshop allows for the children to be productive and to contribute to society's progress, she said.

The second stage, opened Tuesday, aims to create a better and more practical atmosphere for trainees and to give them an opportunity for employment later.

So far, the workshop has turned out 46 trainees with skills in woodwork, 32 of whom are employed within the workshop and 14 in factories in the Sahab Industrial City.

Princess Sarvath said in a statement that she was proud to be president of the YMWA, whose role is to promote Jordanian society. The sheltered workshop aims to offer a service for the mentally retarded trainees and enable them to become useful citizens.

Since the establishment of the workshop, the government of Japan has extended cooperation to its activities. Four Japanese experts carried out teaching and advice tasks on wood and metal works.

Three Jordanian staff members of the workshop have been invited to Japan for training courses and equipment worth \$850,000 has been donated such as a fork-lift, two trucks, panel saw, edge binder, mangle, boring machines, air tacks and other equipment.

Among those present at the opening ceremony were several cabinet members, parliament deputies, Japan's ambassador to Jordan, Tadayuki Nonoyama and other invited guests.

## Ministry of Tourism instituting Visa card system in country

AMMAN (J.T.) — The Ministry of Tourism is undertaking arrangements by which European tourists visiting Jordan can make payments for their stay or souvenirs and services they might purchase here through the international Visa card system.

The announcement was made by Minister of Tourism Abdul Karim al Kabariti, who said that a local firm has agreed to prepare the arrangements in cooperation with a consortium of Jordanian banks.

The agreement to initiate the system follows a series of contacts the Ministry of Tourism has been conducting with concerned parties here and abroad, said the minister in a statement to the Jordan News Agency, Petra. He said that some sort of system enabling tourists to pay through the Visa card should be created in view of the increasing number of tourist groups visiting Jordan these days, most of whom are Europeans.

The minister expressed hope



Abdul Karim al Kabariti

that arrangements for the use of the Visa card by tourists in Jordan would be finalised by the end of this month so the system can be adopted early in December.

The tourism industry has witnessed an upsurge in activity lately in the winter season started

with the arrival in Aqaba of two weekly flights from northern Europe. The European tourists, mostly from the Scandinavian countries, stay for at least one week in Aqaba, visiting the southern regions and archaeological sites of Jordan.

The introduction of the Visa card for tourists in Jordan coincides with a Ministry of Tourism campaign to market Jordan abroad, especially in European countries.

Mr. Kabariti expressed hope that the use of the Visa card by tourists would ease matters for both tourists and also local merchants. He said there had been complaints recently over the fact that local merchants did not accept the Visa cards from tourists who wanted to pay for services or purchases.

Ministry of Tourism officials said this month that revenues from tourism reached JD 340 million in 1990 and they expected a further increase of the tourism industry this season.

## Women of Bani Hamida to reach new level of international exposure

By Kirk Albrecht Special to the Jordan Times

AMMAN — It seems unthinkable, but the once-cottage industry of Bani Hamida is about to reach into the international floor covering world in a big way. The Save The Children project will be present for the first time in the prestigious Domotex Hannover floor covering show in Germany during the first week of January.

"This is the biggest trade show in the world for the floor covering industry," says Ghada Habash, project director. "Over 40,000 buyers will be there."

The jump into international waters will take on modest proportions at first. "We have a display area of only 24 square metres, right next to displays which are 15 to 20 times the size of ours," Mrs. Habash explained. "And there are four whole buildings designated just for handmade products like ours."

Still, the Bani Hamida project received a boost last month following its very successful exhibition in Helsinki. After receiving encouragement for a number of years from those in the retail rug trade to

line up a place in Hannover, the project applied last year for a display area. Mrs. Habash hopes this will be the first year of a continuing presence for Bani Hamida.

"We want to make this a yearly event," she said. Faced with the prospects of being a small fish in a big pond, Mrs. Habash says the team going to Hannover takes with it some very limited goals. "We are really trying to establish credibility with the exporters," Mrs. Habash said.

The exporters are the crucial link for getting a product, such as Bani Hamida rugs, into the markets in Europe and the West.

By targeting the exporters, Mrs. Habash said the Bani Hamida project is trying to cut out the middle man in getting the product to a wider market base. Middle men in this industry, she said, can increase the final purchasing price by as much as 600 per cent, making the rugs much harder to sell in Europe and the West.

The team of three going from Amman, which includes designer Kelly Miller, Mrs. Habash and the project's marketing manager, will take with them only 100 kilos of rugs, with just three main de-

signs for display. The rest will be rolled up for those interested in a closer look.

Mrs. Habash said the designs will be some of their more traditional ones. "We will be taking more natural looking rugs with less colour. The people at this show are very environment-conscious," she said.

The Bani Hamida project, started in 1985, has grown from a dozen women to encompass 730 workers from 12 villages around the Bani Hamida, living about 75 kilometres south of Madaba near the Dead Sea. The project is completely self-sufficient and has earned about JD 200,000 for these women. Many of them said that they rely on the work to care for their families.

"There was no work for me before the project, but now I have work and I'm learning to be a seamstress," says Yisra from the village of Baluta.

Other women in the village of Namiya express similar feelings. "I have a daughter going to school now in Salt. I need to pay her school fees," said one. Another added, "My husband has work, but it pays very little."

## Husseini says Palestinians not relinquishing rights to whole of Palestine

AMMAN (Petra) — Palestinian compromises during the current Middle East peace process does not mean Palestinians are relinquishing their historical rights to the whole of Palestine, the chairman of the Palestinian Steering Committee said Tuesday.

Faisal Husseini said the Palestinians' search for a political solution to the Israeli occupation of the West Bank and Gaza Strip does not mean they are prepared to relinquish their rights to historical Palestine.

Mr. Husseini also said peace efforts are endangered because of extremist movements in the occupied Arab territories. Mr. Husseini, who was speaking during an open dialogue at the World Affairs Council, said the Palestinian delegation was prepared to coordinate with all Arab parties attending the peace talks with Israel, provided that no political stands are imposed by any Arab



Faisal Husseini

party.

He praised Iraq's call for linking the settlement of the Gulf crisis with a solution of the Palestine question and the application

of international legitimacy.

Mr. Husseini said that the international conditions had prompted the Palestine Liberation Organisation to agree to the American initiative to solve the Palestine question. He stressed that the United States is seeking a solution to the Palestine question in accordance with its own policy, but not in accordance with international legitimacy. The United States is interested in achieving stability in the region without any consideration for the party who is going to pay the price for such stability, he said.

However, Mr. Husseini said, America was seeking a peaceful solution to the Palestine question.

Also attending the dialogue were Dr. Abdul Salam Al Majali, head of the Jordanian side of the joint Jordanian-Palestinian delegation to the peace talks and a number of government officials.

## Chechen community stages march for independence

By Nur Sati Special to the Jordan Times

AMMAN — About 1,000 people from the Republic of Chechen-Ingushetia, a Soviet republic, staged a peaceful march Tuesday appealing for the independence of their state.

Marchers carrying banners such as "Jordanian Chechens Support Unification of North Caucasus" and "The Russian Federal Republic Falters in Implementing Democracy," walked to the front of the United Nations office in Shmeisani where an appeal was made.

"We want the world to recognise a free Chechen-Ingushetia Republic," said Shishani Abdullah, a Jordanian engineer for Royal Jordanian Airlines. "We are also appealing to the Muslim Arab community to help us gain independence."

The Republic of Chechen-Ingushetia is one of the republics of the Russian Federation; Islam being the religion of the majority of its residents. In 1943, during the Stalin era, about two million Chechens were exiled to Siberia and other parts of the Soviet Union.

Later, most of the Chechens emigrated to Islamic countries so that they would be free to practice Islam.

"We might not get feedback straight away," said one mar-

cher, "but we are not going to let the issue fizzle out. We will keep it alive until something happens."

Mr. Abdullah, in echoing the majority of the marchers, said, "we are going to continue our peaceful demonstrations until we are satisfied."

Although most of Jordanian Chechens regard their state as their "motherland" most of them do not consider going back — ever.

This (Jordan) is our home. We were brought up here. We are Jordanians," Hassan told the Jordan Times. He declined to reveal his last name.

Even for the elderly, immigration to the Chechen-Ingushetia Republic is out of the question.

"We have rights in Jordan. We were very lucky because we were treated with the same rights as Jordanians and not as second class citizens," said an elderly man, wearing the traditional Chechen dress.

During the march, the participants handed out leaflets promoting their cause. "If we had brought attention to the Chechen cause decades ago, maybe we would be an independent state by now," said Mr. Abdullah.

The republic lies in the northern part of Caucasus, west of the Caspian Sea. Its population is 1.3 million, all Muslims. The march was organised by the Society of the Friends of the Soviet Chechen-Ingushetia Republic.

## German minister arrives, will study bonds of Jordanian families

AMMAN (J.T.) — The German Minister for Families and Senior Citizens Hannelore Roensch arrived here Tuesday, beginning a week-long visit to Jordan for talks with Jordanian officials on social welfare issues.

Mrs. Roensch will meet with Her Majesty Queen Moor, Chief Chamberlain Prince Raad Ben Zeid and Social Development Minister Awni Al Bashir.

She will visit a number of social service and social development centres in and around Amman as well as Petra, main and other social development centres in the south of Jordan.

In an arrival statement, Mrs. Roensch said her visit was aimed at familiarising herself with the social fabric of Jordanian families and to get first hand information on services provided by social institutions, particularly those

offered to senior citizens.

The German minister said her ministry could cooperate with Jordan and stressed the importance of holding joint meetings to discuss the best means for serving the interests of both countries.

Princess Basma toured the various departments of the centre and visited its kindergartens, children's clubs and workshops.

The meeting decided to form a joint committee comprising representatives of the local council and the concerned government departments. The committee will be entrusted with conducting surveys on areas needing social services.

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## Peace with promise

THE THIRD-stage multilateral talks on the Middle East are drawing more than two dozen countries from the industrial world which are capable of funding any regional project that the parties to the ongoing peace conference can come up with and agree on. There is already talk about earmarking a multi-billion dollar amount for this purpose — something that neither Israel nor the Arab side can ignore or brush aside. By so doing, the basically Western countries from North America and the EC countries as well as Japan which are footing the bill are essentially raising the stakes for peace in the Middle East and serving notice on all the countries of the area that they have a lot to lose if they let the opportunity slip away.

Reports from the capitals involved in this "Marshall Plan" also confirm that the financing of regional projects, be they related to environment or water or energy, will take place only after meaningful progress has been registered in the second-stage bilateral negotiations between the Arabs and Israel. In other words, implementation of such ambitious projects will be organically linked with the attainment of at least interim peace accords. This way, the multilateral negotiations and their conclusions are intended to serve as a potent incentive for the bilateral talks. This approach to the projected multilateral sets of negotiations is an interesting one, especially since it outlines a new perspective on how to proceed with the anticipated second and third stages of talks between the Arab states and Israel. This may mean that the multilateral negotiations must be initiated concurrently with the bilateral ones in order to have the occasion for influencing them and lending support to their successful conclusions.

There is already talk about highlighting the regional water issue as well as the construction of a modern transportation systems linking the Middle East countries ever more closely by a network of railroads and highways. The water problem is being addressed on the basis of establishing a mega-sized desalination plant serving a multitude of states in the region. Such a water facility would complement any fair distribution of available water in the area including water from Turkish sources. This way, the long range solution of the water crisis would stand a good chance of being resolved.

This is only a sample of how the peoples of the region can profit from conditions of peace. The fact that so many rich countries are willing to pitch in and help the states of the area cope with their economic problems on a scale hitherto unknown in the past augurs well for the prospects of peace in the region as well as for its peoples. When peace with honour is linked with prosperity and progress, the sky is the limit as to where the peoples of this part of the world can go to attain comprehensive development and progress. In this sense, the would-be participating countries in the multilateral talks from outside the region would take great credit for giving peace in the Middle East a real chance.

### ARABIC PRESS COMMENTARIES

IN DOWNING of an American plane over Scotland three years ago is considered a terrorist act but Washington, London and Paris have no right to accuse Libya of perpetrating it, said Al Ra'i Arabic daily. It said that the Libyan intelligence service had committed the act, but the world community has been witnessing threats directed against the Libyan people similar to those directed against Iraq prior to the aggression launched against it. The paper said that Jordan does not condone any terrorist acts, but on the contrary it demands that the perpetrators be severely punished. The downing of the American plane is no less evil and atrocious than burying the Iraqi troops alive and the continued starving of the civilian population of Iraq, said the paper. It said that those responsible for the massacre of thousands of Iraqi civilians should be punished and those who are starving the innocent children of Iraq should be put on trial and receive the same severe punishment like those who had perpetrated the downing of the American plane, an action that took the lives of the innocent passengers. The paper said that not only those responsible for the downing of the American plane should be put on trial, but also those who shot down the Libyan and Iranian aircraft, those who are starving the innocent civilians of the Arab World and those who are exercising acts of piracy on other countries.

A columnist in Al Ra'i daily focused attention on a report published in the Western press about the American troops using nuclear and radioactive materials in their aggression against Iraq. Tareq Masarweh, said that the report, quoted informed American sources as saying that the U.S. fired 5,000 radioactive projectiles on Iraqi positions, killing and injuring hundreds of thousands of Iraqi military and civilian people. According to the report, the radioactive materials, which are still affecting the Gulf region, are now endangering the lives of at least half a million civilians, the writer said. The new world order and the United Nations are allowing the United States to use nuclear weapons to attack Iraq and to continue a blockade to starve its people at a time when Arab countries are still siding with the United States in its aggression on an Arab country, said the writer. The United States is allowed to maintain a blockade on the Aqaba gulf to starve the Jordanian people by turning away food-laden cargo vessels bound for Aqaba while the Arabs are applauding the United States' actions and supporting its claim that it is seriously concerned about settling the Palestine question, said the writer. Masarweh asked how the Arabs could believe in Washington's actions while they continue to witness its atrocities committed against the Arab Nation.

### Economic Forum

By Dr. Abdalla Malki

## Consumption tax revisited

The new tax imposed on industrial domestic products two weeks ago was wrongly called a consumption tax. Call it a value added or excise tax, but it has technically nothing to do with consumption taxes. The latter are paid by the final consumer (buyer) irrespective of the origin of the goods (or services) concerned, whether they are manufactured domestically or imported. Consumer or sales taxes should also be paid directly by the consumer when he buys the goods and not by the manufacturer.

The new tax does not also fit within the framework of the proposal made in this column (Nov. 13, 1991) which called for adopting a modern tax system compatible with the spirit of supply-side economics, which is based on imposing taxes on the circulation of income (or revenue) rather than on the generation of income. The new tax is levied on the producer who might or might not be able to pass all or part of it to the buyer. A real consumption tax is paid by this buyer who pays it willingly because he is the one who makes the decision to buy. If he resents the tax or its rate, the consumer will either refrain from buying the product in question or buy less of it. This is economising in the real national sense of the word.

Cutting consumption is not a virtue or a recipe for economic success. Satisfying more human needs through more consumption is the ultimate, and noble, goal of economic activity. The higher

the consumption, the higher is the national income. The productive reduction in consumption is the one made for the purpose of leaving more for savings. Since savings are used to finance investment, the virtuous form of cutting consumption is the one, and only one, which serves as a mechanism of transferring funds to savings and, through them, to investment.

But look at our present so-called consumption tax. It will lead to transferring money from the pockets of the private sector to those of the government, which will use the proceeds to finance its current expenditures namely, to finance consumption. Thus, this tax serves to switch funds from consumption by the private sector to consumption by the government and, therefore, loses its purported virtue.

And there is more to that. Even if the government does not spend the totality of the proceeds of the new tax on consumption, the "saved" part will be less than the corresponding part which would have been saved by the private sector had the new tax not been there. The reason is very simple — the marginal propensity to save (MPS) of the private sector is higher (actually very much higher in Jordan) than that of the public sector. In simpler terms, the private sector saves more than the government does.

But, of course, Jordan has a budget deficit which the wise men of the International Monetary Fund (IMF) and their Jordanian

counterparts deem as intolerable and must be reduced until it is finally closed a few years from now. Very well. The IMF prescribes a set of standard "adjustment" measures for all developing countries which run into trouble and seek its advice. This is wrong because the circumstances of these countries are not identical and, therefore, one or more of these measures must be tailored to the particular needs and circumstances of this or that country.

In the specific case of Jordan, taxpayers are already overtaxed. The tax effort in Jordan is high and it is even much higher if this effort is measured by the yardsticks used by the IMF itself. To prescribe tax increases such as the "consumption" tax to remedy the budget deficit when the tax effort is already high was a double mistake. It should not have been prescribed by the IMF in the first place and should not have been accepted by Jordanian policy makers in the second place. This measure (tax hike) was applied to the wrong case and has naturally produced an upsurge. More doses of the same medicine will trigger similar results, instantly or later.

There is no denying that our economy needs adjustment, but the question is by which means. This column is not, at least space wise, the right place to elaborate on the answer to this question.

## At a historical crossroads, again

By Gad Ya'acobi

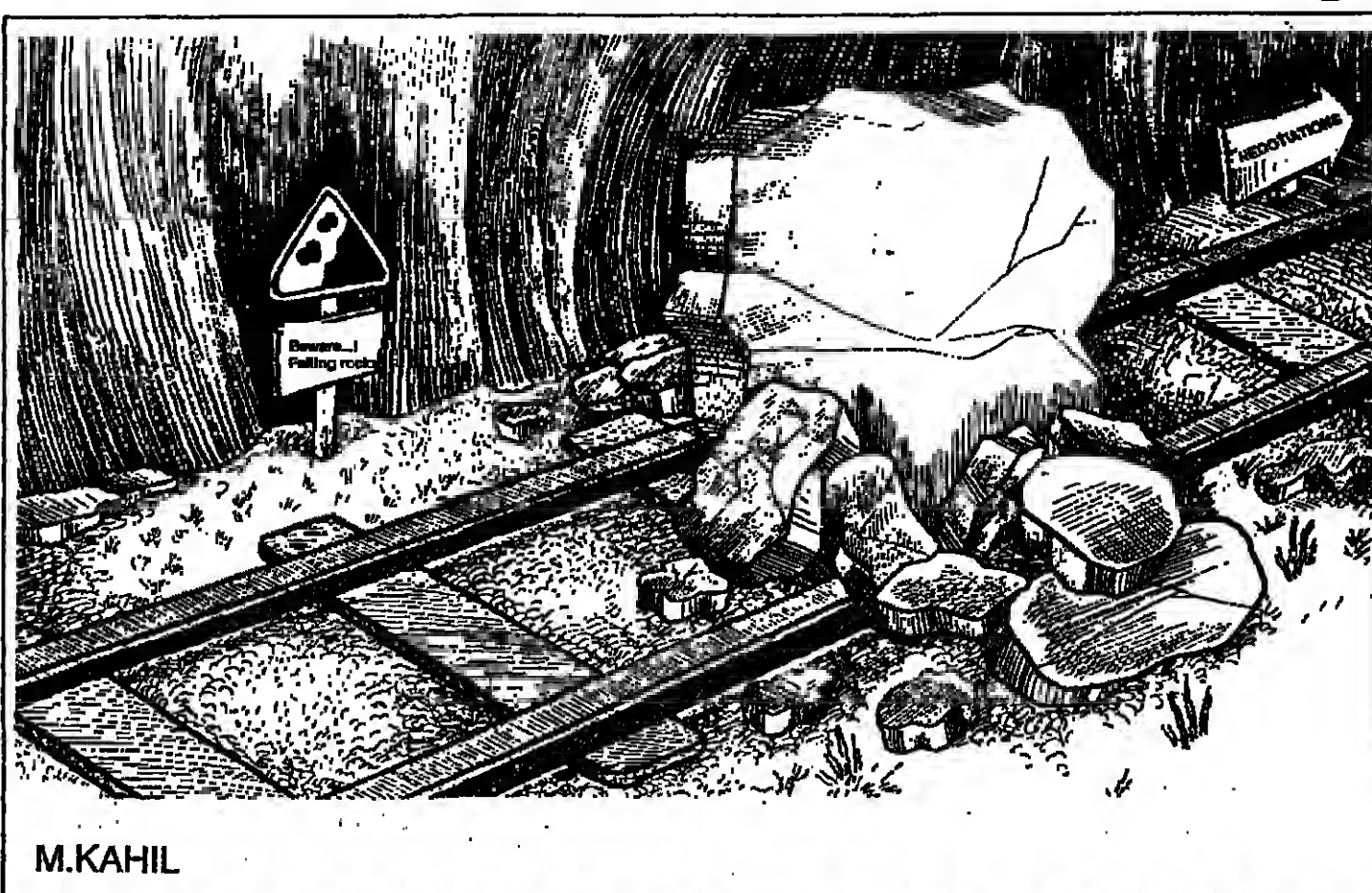
WE were recently informed by the Central Bureau of Statistics that the number of Jews in Israel today is 4.1 million. With the convening of a Middle East regional conference, the main decision regarding the country's future character has once again come into sharp relief.

It would do us no harm to recall several historical decisions and missed opportunities. In 1936-37, a struggle took place over the partition of Palestine, and David Ben-Gurion's approach, favouring the principle of partition, was endorsed at the time. In retrospect, it turned into a historical decision toward the establishment of the state.

In November 1936, Ben-Gurion, then chairman of the Zionist Executive of the Jewish Agency, gave evidence before the British Royal (Peel) Commission sent to Palestine to investigate the reasons for the Arab riots that had broken out the previous April and to recommend a solution.

The rise of the Nazis in Germany and of antisemitism in Eastern Europe gave Ben-Gurion's words a sense of approaching danger and urgency. Chaim Weizmann, the president of the Zionist Organisation, was willing to reconcile himself to a decision which would have enabled the immigration of one million Jews to Palestine over 25 years. Ben-Gurion demanded that it be done in five! He felt very strongly that time was running out.

"In the next five years," he declared, "the fate of our generation, if not our fate for generations, will be decided." Replying to a question at the session of the



M. KAHIL

Royal Commission, he said: "Four million Jews can live in Palestine." Lord Peel, the chairman, asked: "How many Arabs live in the country?" Ben-Gurion responded: "When there will be four million Jews here, there will be about two million Arabs." Lord Peel: "A total population of six million?" Ben-Gurion: "Yes."

It is astonishing how clearly Mr. Ben-Gurion foresaw the situation: in 1948, the Provisional

Council decided, by a large majority, to establish the state of Israel. A delay or a vote against Mr. Ben-Gurion would have changed the course of history.

Since then, many critical crossroads have been missed by Israel: the prospect of reaching an interim peace settlement in 1971-72, the Jericho Plan in 1974, the London Document of 1987, etc. No one can tell what would have happened "if..."

However, what did happen

was a Jewish state which provides all its citizens with equal rights — or a bi-national state practising apartheid? A focus of identification for world Jewry, or no longer the centre of the Jewish people? Shall we invest our talent, resources and efforts in constructing a growing economy and progressive society, or shall we erode in endless intifadas and as perpetual

mutual conflict, wasting our meager resources on new settlements and increasing the size of old ones in the midst of a Palestinian population in the administered areas?

With its own hands, the government has created a nightmare. It is de facto annexing two million Arabs to Israel, and investing in this absurd project some New Israeli Shekel (NIS) 3.5 billion a year. In addition, the cost of the

intifada to our national economy — in defence, loss of productivity, trade tourism, etc. — is about NIS 1.5 billion which NIS 600 million is direct government expenditure.

Obviously, a political move leading to a peace settlement will reduce the security threat to Israel and enable a reduction in expenditure on defence.

Cutting expenditure on enlarging settlements, creating new ones, and populating them, will prevent the de facto annexation of the territories, and free vast sums for the creation of employment for immigrants and young people, and advance education, housing, defence, science and culture.

It is not an American or Palestinian problem. It is a matter that will determine the essence of Israel. If it were not an Israeli problem par excellence, I would not be disturbed by it.

It is an Israeli problem because if we do not make progress towards a settlement, we shall not be able to be what we need to be, and perhaps still wish to be: a democratic state of Jews in the land of Israel living in security and peace and devoting most of its spiritual, human and economic resources to developing itself.

Therefore territories for peace, absorption and employment must be our credo; without them we cannot achieve our goal.

The state's fate and future are at stake. It is not a partisan or political issue. It is not a matter of opposition-coalition games. It is a historical crossroads, and the direction we choose to take will follow us for a long time.

It will be unbearably short-sighted and irresponsible if we act as if there is nothing we can do. — The Jerusalem Post

## Baker, Washington's top negotiator, has tough time in China

By Andrew Quinn  
Reuters

PEKING — Secretary of State James Baker, Washington's ablest negotiator, has discovered the hard way that Peking's tough-minded strategists give away little — and then only at the last minute.

Mr. Baker's grim face during photo sessions before his talks vividly reflected U.S. concern over human rights, arms sales and trade policies.

But with unflappable aplomb, the Chinese stonewalled him. Session after session of talks produced nothing but glares and nervous diplomats. There were no smiles and no handshakes for the cameras, no promises for the press.

China produced its last-minute concessions only after Mr. Baker had delayed his Sunday departure for hours. The Americans greeted them as substantial and real progress but diplomats described them as minimal.

The promises were won only after a dicey game of give-and-take that sent Mr. Baker and his advisers into a last-ditch huddle to figure out the political cost. The Chinese did not even address human rights, the top item on Mr. Baker's agenda, until he warned them their obstinacy was jeopardising the future of Sino-American links, according to U.S. officials with his party.

Diplomats said on Monday Peking's tactics had achieved their goal: Keep talking, concede little.

"The Chinese played this very well... they want something in return. If they get it, then the

whole process will simply be an exercise in mutual benefit," one Western diplomat said.

The importance both sides placed on the visit by Mr. Baker, the highest U.S. official to come to China since its harsh 1989 crackdown on dissent, was evident from the outset.

After touching down at Peking's airport on Friday, his motorcade whisked him straight to talks with Foreign Minister Qian

in power after the 1989 killings, one the two sides should take a longer-term perspective.

Mr. Baker only last month achieved what many deemed impossible by getting Arabs and Israelis to sit round the same table. In Peking his frustration was clear as he sat stiffly in a string of reception rooms in the Great Hall of the People, staring at his cufflinks and fidgeting with impatience.

### NEWS ANALYSIS

Qichen, the first stop in a string of meetings with Chinese leaders that included Premier Li Peng, President Yang Shangkun and Communist Party leader Jiang Zemin.

The trip, seen as a chance to repair the rupture caused by the 1989 Tiananmen killings, centred on Washington's complaints over Peking's human rights record.

"I'm not sure they understood it," an official travelling with Mr. Baker said of China's response to his message. During his talks on Saturday with Premier Li Peng, Mr. Baker seemed unwilling even to look at the man widely regarded as an architect of the 1989 crackdown.

Mr. Li, smiling grimly, lectured the stony-faced Mr. Baker on China's 5,000 years of history, a classic expression of China's perceived cultural superiority.

President Yang told Mr. Baker outstanding American complaints could be shelved. Mr. Jiang, put

The American diplomatic team was downbeat, with one U.S. official saying the Chinese had shown no progress on any of Washington's concerns.

The Chinese gambit extended into Sunday, which Mr. Baker began with a private visit to a Peking Christian church.

He returned to the state guesthouse at Diaoyutai only after an unexplained stop at the U.S. embassy, and launched a last round of talks with Foreign Minister Qian Qichen some 45 minutes behind schedule. While the international press milled around the guesthouse's manicured grounds, the two negotiators faced off. The meeting stretched on and Baker's plane was told to wait.

At one point, Mr. Baker and his top adviser on human rights left the room for a heated, private discussion on the steps of the building outside. Preparations for a news conference were hinted at and then denied.



James Baker

Finally, some five hours after he was due to leave, Mr. Baker appeared at a news conference to announce that China had given him agreements signalling "clear gains in the fields of (arms) proliferation and trade."

Diplomats said the Chinese, by holding their concessions until the last minute, had forced the Americans to present them in a positive light.

"The Chinese gave the Americans something to point to," one diplomat said. "That means they have managed to keep the process of dialogue going and stopped relations from getting any worse."

"But I don't think anything very basic was changed by the visit."

## Yeltsin's decree wins him control but no guarantee of change

By Deborah Seward  
The Associated Press

MOSCOW — Russian President Boris Yeltsin's latest decrees wresting control over the economy from central Soviet leaders could become paper tigers unless they bring quick improvements.

The decrees show a take-charge approach to the crumbling Soviet economy just ahead of crucial talks beginning Monday with the group of seven major industrialised democracies closely monitoring economic reform.

By assuming responsibility for the Soviet Union's economic crisis, Mr. Yeltsin faces a challenge at least as great as the assault on democracy he successfully resisted during the hardline years attempted in August.

Western creditors will want guarantees they can collect the Soviet debt, regardless of how it is divided among the republics and assurances that Mr. Yeltsin's tendency to rule by decree is not endangering Russia's fledgling democracy.

The use of decrees to set policy shows a disregard for the democratic principle of endowing the legislature with the power to make laws and the president with the authority to execute them. Mr. Yeltsin maintains strong presidential rule is needed to restore order.

In pre-revolutionary Russia, the czars and later liberal reformers often used decrees to order deep changes to a people with no democratic traditions.

Neither Mr. Yeltsin nor the Russian legislature seized opportunities after the failed coup to adopt a new constitution

or set up a supreme court, which could have helped decide some of the complex issues they now face.

The Russian legislature early last week warned Mr. Yeltsin of the danger of executive rule. It failed to endorse his decree declaring emergency rule in the breakaway Muslim enclave of Chechen-Ingushetia.

The overwhelming vote calling for a political solution and Mr. Yeltsin's order to send Soviet troops to the enclave tarnished his post-coup image as a democratic reformer.

Other separatist movements and ethnic conflicts brewing inside Russia could capitalize Yeltsin's efforts to create a market economy.

The 10 economic decrees released late Saturday claim control over the Soviet money supply and trade in oil, gold, diamonds and foreign currency and included a populist but likely inflationary move to raise workers' salaries.

The decrees would cancel the official foreign currency exchange rates set by the Soviet government starting Jan. 1 on Russian territory and allow the republic's central bank to set new rates.

That appears to be a significant step towards allowing the currency to be traded freely on international markets, a condition the West has placed on large-scale foreign investment.

The West will want an explanation of the move to suspend new export licenses for oil, natural gas and coal until Jan. 1 and give Mr. Yeltsin's government control over export quotas from the republic, which produces about 90 per cent of the Soviet Union's oil.



# Media coverage of the Gulf crisis; a survey of correspondents

By Mohammad Najib Al Sarayrah and Mohammad Ibrahim Ayish

FOR many years, the flow of international news has been a salient issue on the agenda of global political and academic debates. Among other things, Third World spokesmen charged in the 1970s and early 1980s that Western media coverage of their nations was generally negative and crisis-oriented. One researcher noted that the crisis-centered coverage of developing countries by Western media produces a skewed quantity of news rather than a constant flow because those media report by means of "spot" coverage, with the volume of news spurring higher when a crisis draws attention. An American journalist has articulated Western correspondents' penchant for crisis news when he asked: "Why the hell should anyone but a specialist, be interested in Congo, when there is not a crisis there?"

Although crisis reporting by Western media has drawn a good amount of research in the past two decades, most of the studies conducted employed content analysis as a data-gathering method. This type of analysis may be useful in throwing light on the nature of news output. However, it is incapable of showing why that output appeared as it did. Explicating determinants of crisis coverage demands an investigation into the context of such coverage using other data-gathering techniques, one of which is survey research. In this case, data obtained from foreign correspondents reporting a crisis appears to be quite helpful in acquainting us with the perceptions and attitudes of those correspondents and with the problems and issues arising in the context of crisis coverage.

Taking international media correspondents' reporting of the Gulf crisis (From Aug. 2, 1990 to Jan. 16, 1991) as a case study, this article seeks to throw light on correspondents' perceptions of the crisis and the problems facing them. The study also attempts to identify some of the organisational aspects of crisis reporting as perceived by correspondents. During the past two decades, Western correspondents operating in the Middle East have long complained of such problems as lack of access to and cooperation from Arab officials and information ministries, and getting into the country and obtaining interviews.

The general research question addressed by this article relates to the issues and problems arising in the context of foreign correspondents coverage of the Gulf crisis from Amman, Jordan. In light of the debates associated with such coverage, the article investigates professional, political and organisational factors that may have impinged on reporting the Gulf crisis from Amman, Jordan before evolving into a full-fledged war.

A random sample (of 40) foreign correspondents who were reporting from Jordan on the Gulf crisis before it broke out into a full-fledged war was surveyed by the authors to investigate their perceptions, problems and work practices. According to Jordanian Ministry of Information sources, over 500 foreign correspondents arrived in Jordan from Aug. 2, 1990 to Jan. 16, 1991, to cover the

crisis. Data gathered from the sample indicates that Jordan was selected as a base of operation by those correspondents because the country is geographically close to Iraq; public opinion was generally pro-Iraq while official government stands reflected neutrality; Jordan was negatively affected by the influx of hundreds of thousands of Gulf evacuees into its territories and media facilities were conveniently available to correspondents in the capital city of Amman.

A 27-item questionnaire was placed in mail boxes of correspondents residing in three major hotels in Amman. Respondents were asked to return completed questionnaires to hotel receptionists. The questionnaire sought to gather data from correspondents on age, nationality, experience, place of operation, media affiliation, occupational status, education, exposure to the Middle East foreign language, frequency of filing reports, adequacy of available facilities, reliance on local reporters, sources used, reason(s) for choosing Amman, degree of cooperation from Jordanian officials, perceptions of coverage, problems faced by correspondents and possible changes in perspective.

Data showed that 65 per cent of respondents were males while 35 per cent were females. In terms of age, the study indicated that 40 per cent of respondents were in their 30s, 27.5 per cent in their 20s and 20 per cent in their 40s. Data on age suggest a generally young sample of correspondents who perhaps had little experience in crisis reporting during the 1970s and 1980s.

As for nationality, the study showed that 27.5 per cent of correspondents were American; 12.5 per cent British; 10 per cent French; 7.5 per cent Greek and 7.5 per cent Italian. Non-Jordanian Arab correspondents constituted 15 per cent of the sample. The dominance of American-European correspondents in the sample may be explained by two factors: The global media dominance of Western Europe and the United States and the direct involvement of these nations in the anti-Iraq coalition. One more reason that may be cited relates to the centrality of crisis news to Western media as they report international affairs. Another reason concerns the huge capabilities of Western media institutions which have the necessary resources to dispatch correspondents around the world.

Concerning media affiliation the study indicated that 60 per cent respondents worked for television, 25 per cent for newspapers and 7.5 per cent for radio. The high percentage of TV correspondents reflects the rising importance of television as a medium of international communication, especially with the introduction of satellites to global television broadcasting. Daily television reports dispatched live by CNN's Baghdad correspondent Peter Arnett and the subsequent rise of this network in U.S. television ratings seem to underscore the growing centrality of television in crisis coverage.

The results of the study indicated that 65 per cent of respondents were originally based in Western countries before being dispatched to Jordan to cover the Gulf crisis. Those who were originally stationed in the Middle East

before the outbreak of the crisis constituted 17.5 per cent while 7.5 per cent were based in South-east Asia. The main implication of these findings is that the majority of correspondents covering the Gulf crisis did not seem to be familiar with the region's issues and problems. This means that their reporting of a complex crisis of the magnitude of that in the Gulf would tend to be less than balanced and enlightened, especially when their mother countries are central parties in the anti-Iraq alliance.

Data showed that 87.5 per cent of respondents worked on a full-time basis while 12.5 per cent operated as stringers. The high percentage of full-time correspondents in the sample points out to importance covering the Gulf crisis for Western media.

As for news experience in general, it was found that 32.5 per cent of correspondents had a 6 to 10 year experience while the experience of 22.5 per cent ranged from 1 to 5 years; 17.5 per cent from 11 to 15 years. Ten per cent of the sample had a general news experience of 25 years and over. On the other hand, the foreign news experience of 40 per cent of the sample ranged from 6 to 10 years and of 17.5 per cent from 11 to 15 years. The fact that a large percentage of correspondents 72.5 per cent had a foreign news experience of 10 years or less indicate their limited familiarity with international issues in general and those of the Middle East in particular.

**"Disagreement over potential distortion did not rule out possibilities of modifications and changes in news reports dispatched by correspondents. Indeed, 80 per cent of respondents admitted those changes do take place in the gate keeping chain while 12.5 per cent seem to think those editorial changes, despite their frequent occurrence, should in no way imply a distortion."**

In terms of education, the study found that 70 per cent of correspondents had a bachelor degree; 20 per cent had a masters degree and 5 per cent were Ph.Ds. As for area of study, the results showed 25 per cent of the sample majored in journalism, 20 per cent in social/human sciences and 22.5 per cent of literature/linguistics. Data on education indicate a good percentage of respondents were well-educated, especially in areas of communication and social sciences. However, the question of whether those subjects of academic training were related to foreign affairs has yet to be investigated.

The finding that 77.5 per cent of correspondents had either lived or worked in the Middle East may suggest a previous exposure to Middle East culture and politics, but it should in no way suggest acquisition of insights into the region's problems.

Data on foreign languages mastered by the sample showed that English was spoken as a foreign language by 28.7 per cent of respondents, French by 30.3 per cent and Arabic by 6.06 per cent

only. The high percentage of English and French language users among non-native speakers in the sample reflects the growing expansion of both languages as media of communication. On the other hand, the low percentage of users of Arabic as a foreign language among correspondents suggests a serious shortcoming in reporting news from foreign countries. This finding may be well understood by noting that the majority of correspondents were originally based in Western countries where they did not have to use Arabic in their newswork.

The results of the study also indicated that 77.5 per cent of respondents used to file their news reports on the Gulf crisis on a daily basis, while 22.5 per cent had no answer. As for means of dispatch, the study showed that 27.4 per cent of correspondents used telephone, 40.17 per cent used satellites, 9.80 used facsimile and 15.68 per cent used personal computers. Data on correspondents' use of modern communications technologies seem to explain the high frequency of report dispatch; something that turned the Gulf crisis coverage into an instantaneous reporting operation.

In reporting the Gulf crisis, 45 per cent of the sample said they sought help from local reporters while 32.5 per cent said they did not. This moderate reliance on native newsmen to collect and report the news may be explained by foreign correspondents' non-mastery of Arabic. However, the finding that over half the sample did not resort to local reporters for help may be understood by noting that a large number of Jordanians do speak English as a second language.

As for sources used by foreign correspondents in covering the Gulf crisis from Jordan, the study showed that 37.5 per cent of correspondents relied on private sources and 25 per cent used both. For foreign correspondents, the relatively low usage of official sources vis-a-vis private sources may be explained by limited access accorded to them by government officials. Private sources were more conveniently accessed. This assumption, however, seems to go counter to the results of the study in which correspondents gave high rating to the cooperation on the part of Jordanian officials. For example, on a scale form 1-10, 32.5 per cent of the sample gave a full mark to levels of such cooperation. This may indicate high degree of official cooperation with correspondents already given access to those offices.

With respect to their views on alleged distorted coverage of the crisis, 55 per cent of correspondents disagreed with such allegations, while 22.5 per cent agreed. The high percentage of correspondents denying charges of distortion may be explained by the fact that an opposite position would suggest a self-condemnation on the part of correspondents. Disagreement over potential distortion did not rule out possibilities of modifications and changes in news reports dispatched by correspondents. Indeed 80 per cent of respondents admitted those changes do take place in the gate keeping chain while 12.5 per cent seem to think those editorial changes, despite their frequent occurrence, should in no way imply a distortion.

As for the critical issue(s)

underlying the Gulf crisis 7.5 per cent of respondents thought it was the Palestinian problem; 7.5 per cent thought it was the occupation of Kuwait, another 7.5 per cent believed it was the presence of U.S.-led forces in the Gulf, and 10 per cent believed it was oil. Lack of consensus on the issue(s) underlying the Gulf crisis seems to reflect varying perspectives held by correspondents on the problem. This variation will certainly have a bearing on the type of coverage correspondents offer to their audiences around the world. A news report based on the view that the whole conflict was about Palestine would

certainly be different from another reportedly premised on the view that it was all about oil.

The results of study indicated that 40 per cent of correspondents thought the newsworthy components of the crisis were political military and humanitarian. Those who thought political aspects only were the most important constituted 35 per cent; those who thought of military aspects accounted for 10 per cent and those who thought of humanitarian aspects made up 15 per cent. The high percentage of correspondents giving priority to political/military news over humanitarian news seem to be

compatible with the findings of previous research in which Western media were shown to be highly attracted to news rife with political and military drama as that in the Gulf.

As for the persistence of correspondents' views on the conflict since its outbreak on Aug. 2, 1990, 47.5 per cent thought their perspectives underwent certain changes while 37.5 per cent said no changes took place. This finding system seems to underscore the significance of time — series studies of newsmen (over time) as one — shot studies, may not always reflect enduring attitudes and values.

When asked about the general problems facing them in covering the Gulf crisis in Jordan 17.5 per cent cited lack of language, 15 per cent cited lack of official cooperative, 15 per cent cited access to Iraq and 5 per cent cited inadequate media facilities. For the most part, such problems seem to have an organisational rather than a political nature, and thus may be alleviated by media institutions themselves.

Mohammad Al Sarayrah and Mohammad Ayish teach journalism at Yarmouk University. They contributed this article to the Jordan Times.



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## Financial Markets

Jordan Times  
In co-operation with  
Cairo Amman Bank

U.S. Dollar in International Markets

Currency	NEW YORK CLOSE 18/11/91	TOKYO CLOSE 19/11/91
Sterling Pound	1.7894	1.7900
Deutsche Mark	1.6115	1.6095
Swiss Franc	1.4503	1.4290
French Franc	5.5050	5.5055**
Japanese Yen	129.64	129.44
European Currency Unit	1.2660	1.2666**

1991 Per 100

European Opening in 8.30 a.m. 1.1.91

Eurocurrency Interest Rates

Currency	1 MTH	3 MTH	6 MTH	12 MTH
U.S. Dollar	4.75	4.93	4.95	5.06
Sterling Pound	10.37	10.31	10.25	10.25
Deutsche Mark	9.00	9.31	9.21	9.31
Swiss Franc	7.43	7.67	7.75	7.68
French Franc	9.50	9.56	9.50	9.50
Japanese Yen	6.37	6.25	6.00	5.75
European Currency Unit	9.61	9.51	9.51	9.92

Interbank bid rates for amounts exceeding 1 A.S. Dollars 1,000,000 or equivalent

Precious Metals			Date: 19 11 91		
Metal	USD/Oz	JD/Gm <sup>1</sup>	Metal	USD/Oz	JD/Gm
Gold	360.40	0.95	Silver	4.05	0.086

Central Bank of Jordan Exchange Rate Bulletin  
Date: 19/11/91

Currency	Bid	Offer
U.S. Dollar	0.6600	0.6620
Sterling Pound	1.2159	1.2220
Deutsche Mark	0.4217	0.4258
Swiss Franc	0.4752	0.4776
French Franc	0.1234	0.1240
Japanese Yen	0.5245	0.5271
Dutch Guilder	0.3742	0.3761
Swedish Krona	0.1154	0.1160
Italian Lira	0.0558	0.0561
Belgian Franc	0.02053	0.02063

Other Currencies  
Date: 19/11/91

Currency	Bid	Offer
Bahraini Dinar	1.7740	1.7830
Lebanese Lira	0.0770	0.0775
Saudi Riyal	0.18100	0.1820
Kuwaiti Dinar	—	—
Qatari Riyal	0.1642	0.1650
Egyptian Pound	0.2000	0.2170
Omani Riyal	1.7400	1.7490
YAE Dirham	0.1842	0.1850
Greek Drachma	0.3615	0.3815
Cypriot Pound	1.4770	1.4970

CAR Indices for Amman Financial Market

Index	17/11/91	Close	18/11/91	Close
All-Share	125.12		124.56	
Banking Sector	106.35		104.82	
Insurance Sector	126.73		126.55	
Industry Sector	153.35		153.39	
Services Sector	135.14		135.37	

December 31, 1990 - 100

## LONDON EXCHANGE RATES

LONDON (R) — Following are the buying and selling rates for leading world currencies and gold against the dollar at midsession on the London foreign exchange and bullion markets Tuesday.

One Sterling	1.7912/22	U.S. dollars	1.291/96
One U.S. dollar	1.6075/85	Canadian dollar	1.8115/25
	1.4257/64	Deutschemarks	33.08/12
	5.4900/50	Dutch guilders	1214/1215
	129.45/55	Swiss francs	5.8690/8740
	6.3130/80	Belgian francs	6.2475/25
	6.2475/25	French francs	359.80/360.30
One ounce of gold	359.80/360.30	Italian lire	
		Japanese yen	
		Norwegian crowns	
		Danish crowns	
		U.S. dollars	

## Stargazing analyst outfoxes share market experts

LONDON (R) — A British astrologer emerged a winner Monday from a shock Wall Street dive that he had predicted by gazing at the stars.

Graham Bates, astrologist and equity analyst, warned in October that the explosive conjunction of Mars and Pluto around mid-November could rock world stock markets.

The planets moved into conjunction at 1000 GMT Friday. The fifth largest fall on the New York Stock Market began eight hours later, ending in a 3.9 per cent drop in the Dow Jones industrial average that day.

"I expected quite a violent move but I knew it would not be the big crash like in 1987," said Mr. Bates, who uses statistical analysis to correlate planetary cycles with daily market values.

Mr. Bates said he had advised clients, which include several financial institutions, to avoid large holdings of stock from the end of September in view of possible disasters ahead.

Those who heeded his predictions would have come out on top, leaving colleagues who sought more conventional wisdom counting their losses.

Mr. Bates expected stock markets to be volatile until the end of the week with a downward trend towards the end of the year.

"I'm still basically pessimistic about the markets but I'm not saying 'head for the hills,'" he said.

The next key date, Mr. Bates predicts, will be Jan. 4 when there will be an eclipse of the sun conjunct with Uranus.

"Uranus is the planet of the unexpected and very difficult to predict. Whatever happens it will be a bolt from the blue," he pointed out.

The meeting will give the poor nations a forum for their plans to obtain better access to the markets of the developed world for their exports at February's U.N. Conference on Trade and Development (UNCTAD) in Colombia.

Mr. Shariatmadar, secretary-general of the Tehran meeting, told a news conference the time for slogans was over and that the Third World did not believe any issues could be solved by conflict.

"We are looking for peaceful coexistence with the developed world," he said. "We have the resources. They have the industries."

Weakened by the collapse of the Soviet empire that has deprived many of their key political allies and silenced eastern Europe's voice in UNCTAD, Third World countries are scaling down their demands to the simple goal of an "equitable world."

The draft "Tehran Declaration" the conference is due to adopt pleads that "the iron cur-

## Iranian leader backs devaluation of riyal

TEHRAN (R) — Iranian President Akbar Hashemi Rafsanjani, apparently throwing his weight behind central bank calls for a sudden and massive devaluation of the riyal said, Tuesday that Iran would adopt a unified exchange rate.

In a speech opening a ministerial conference of 128 developing countries, Mr. Rafsanjani also outlined his strategy for turning Iran back into a market economy and abandoning the revolutionary experiments adopted after the 1979 overthrow of the monarchy.

Iran, which has been allowing the value of the riyal to fall gradually on the free market in what amounts to a masked de-

valuation, operates three exchange rates.

"We are reforming our foreign exchange regulations, we have already reduced the rates to three and we are moving towards a unified exchange rate," Mr. Rafsanjani said.

The official rate is 70 riyals to the dollar, its value before the 1979 Islamic revolution but Iran also has a "competitive" rate of 800 riyals, mainly used by private companies needing foreign exchange for importing essential supplies such as medicines, and a free market rate of 1,400 riyals.

Central bank governor Mohammad Hossein Amini said this week he personally favoured a

sudden and deep devaluation of the riyal. The faster Iran moved towards a unified exchange rate, the better, he added.

Central bank officials said after Mr. Rafsanjani's speech they felt the leadership had now accepted the bank's arguments in favour of tough action on the riyal.

Since the number of rates shrank from 12 to three last April, Iran has been allowing the value of the riyal to fall gradually on the free market in what amounts to a masked devaluation.

Mr. Amini told the Iranian newspaper Resalat that unifying the exchange rates was bound to cause hardship, but that he did

not believe the new rate would necessarily be as low as the free market level.

He said the new rate would have to be realistic and predicted that any attempt to set one administratively was bound to fail.

"As long as the rate is set administratively, there will be a black market rate as well," he said.

He complained that some government organisations were buying foreign exchange at the official rate and then reselling it to the public at a huge profit.

In his speech, Mr. Rafsanjani told delegates the government was determined to reduce state interference in Iran's economy, privatise nationalised companies,

promote a stock exchange and encourage foreign and domestic private investors.

The central bank has been pushing for all these changes but has run into strong political resistance.

Fearful of the discontent that could be provoked by a sudden devaluation — particularly the liberalisation of prices that would inevitably follow — the Iranian leadership early this year opted for a gradual approach.

But the free market rate is already percolating through into areas in which government controls have been lifted, causing steep rises in the price of staple commodities such as cooking oil.

## Egypt expects to reap dividends from painful reforms next year

ROME (R) — The end of the Gulf war and a host of other painful reforms should begin to reap economic dividends for Egypt in 1992, Egyptian Economy Minister Youssef Mustapha said Tuesday.

"The future is now looking quite bright," he told Reuters in an interview. "We are heading in the right direction."

Mr. Mustapha, in Rome for an Arab banking conference, said he expected economic output to rise by four per cent next year after an estimated 3.5 per cent increase in 1991.

He denied that the government was dragging its feet over the reform of Egypt's huge and inefficient public sector.

An International Monetary Fund (IMF) team is now in Cairo monitoring progress on May's \$372 million IMF standby agreement which called for austerity measures designed to bring the budget deficit down to 10.3 per cent of gross domestic product (GDP) this year from more than 20 per cent last year.

The ratio is a key test of whether governments are over-spending. It is expected to come

down this year to 9.5 per cent, Mr. Mustapha said.

Several independent economists believe that Egypt will fall short of that target but they expect the IMF board of governors meeting in December to overlook this in the interests of saving the overall programme.

Egypt's last IMF package, in 1987, collapsed within weeks. This time, economists say, the government has been making a much more serious effort by raising taxes, cutting subsidies on consumer goods and deregulating interest and exchange rates.

Mr. Mustapha said the reforms were starting to show results. Egypt had a current account balance of payments surplus last year for the first time in a decade and the exchange rate of the Egyptian pound, floated in February, had held up well in the last six months.

"These reforms have often been painful but we expect them to help make the investment climate better next year," he said.

The end of the Gulf war was also working in Egypt's favour, he added.

The war had sharply reduced

remittances from Egyptians working abroad, one of the main pillars of the economy, and returning workers had swelled the ranks of the unemployed.

Tourism, another vital foreign exchange earner, had virtually stopped while sharply increased insurance and transport costs had hit exports.

"Things are now starting to improve," said Mr. Mustapha. Independent economists say Egypt's biggest problem next year is likely to be reform of the bloated state sector.

Unwillingness to take the tough and complex decisions needed to divest the bulk of the 550 or so state enterprises which account for 70 per cent of GDP has soured relations with the World Bank which has approved a \$300 million loan in tandem with the IMF programme.

Many economists believe the government is willing to privatise only the loss-making state enterprises but Mr. Mustapha denied that it was acting against the spirit of the IMF accord.

"We are doing our best in this area," he said.

## Third World seeks 'equitable world'

TEHRAN (R) — Striving to dismantle the "wall of poverty" dividing the poor South from the rich North, the Third World looks set to abandon confrontational tactics in negotiations with industrialised countries.

"Our main aim is to embark on more pragmatic policies," Iranian Deputy Foreign Trade Minister Mohammad Shariatmadar said ahead of this week's meeting of the so-called "Group of 77," linking 128 nations including the world's poorest.

The meeting will give the poor nations a forum for their plans to obtain better access to the markets of the developed world for their exports at February's U.N. Conference on Trade and Development (UNCTAD) in Colombia.

Mr. Shariatmadar, secretary-general of the Tehran meeting, told a news conference the time for slogans was over and that the Third World did not believe any issues could be solved by conflict.

"We are looking for peaceful coexistence with the developed world," he said. "We have the resources. They have the industries."

Weakened by the collapse of the Soviet empire that has deprived many of their key political allies and silenced eastern Europe's voice in UNCTAD, Third World countries are scaling down their demands to the simple goal of an "equitable world."

The draft "Tehran Declaration" the conference is due to adopt pleads that "the iron cur-

tain should not be replaced by a poverty curtain separating the North from the South" and accepts that the main responsibility for the development of Third World countries is their own.

The African, Asian and Latin American countries grouped in Tehran are once again pressing the developed world to ease their debt burden, but differences between them are so great that it is difficult for them to take a strong stand.

## WORLD STOCK MARKETS

TOKYO — Stocks gave up early gains to end easier. Investors retreated after the morning's technical rebound proved weaker than expected, and futures-linked selling knocked prices down. The 225-share Nikkei Average fell 73.26 points to 23,326.86.

LONDON — Share prices closed sharply down but above the day's lows after Wall Street showed a steadier trend, holding just above its low-point of the session. The FTSE 100 Index finished down 39.8 points at 2,463.1.

NEW YORK — U.S. Blue Chips came off the day's worst levels by late morning but still showed heavy losses. At 11.50 a.m. (1650 GMT), the Dow Jones Industrial Average was down 59.03 points at 2,910.78.

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- Al Tawil Tours Agency, near Safeway.
- Geneva Coffee Shop.
- Music Box / Al Sweifiyyeh, the Eighth Circle.
- Al Shalla Restaurant, the Gardens Street.
- Rana Pizza, opposite Al Rafi Newspaper.
- Rawan Wool, Gardens Street-Da'san Centre.
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## Fighting thwarts Vukovar evacuation

**BELGRADE (R)** — Fighting between Croatian National Guards and the Yugoslav army in Vukovar thwarted the evacuation of casualties, old people and children from the devastated town's hospital Tuesday, relief workers said.

An army convoy had been due to take a group including 400 wounded, 110 children and 100 pensioners to safety. Croatian Health Minister Andrija Hebrang said it had already set out.

But the plan was halted as fighting broke out around the hospital in an area where the hard core of National Guard fighters is making a last stand against the army.

Almost all Vukovar is under army control after the Croatian government ordered its surrender following an 86-day siege. Ed Koestel, spokesman for the European Community (EC) observer mission in Zagreb, said: "More preparations will be made today and the evacuation from the hospital should take place tomorrow."

Croatian radio reported ceasefire violations in Western Croatia and coastal areas Tuesday. It blamed the army for attacks around Gospić, Štradin, Karlovac, Zadar and Dubrovnik.

Vukovar's last defenders, ignoring orders to give up, have

dug themselves into the central fortified Mitnica area near the banks of the Danube River.

A Reuters correspondent heard an army major tell an EC observer Monday that they would be wiped out.

Fighting continued as Belgrade television accused Croat fighters who decided to escape of massacring Serb inhabitants of the town as they left. It showed pictures of fresh corpses in the streets, including one of a man with his eyes gouged out.

The army launched its assault Monday as about 5,000 trapped civilians fled Vukovar, a border town which has been a focal point of nearly four months of fighting in Croatia.

Several thousand people have been killed since the republic declared independence in June, sparking a rebellion by its Serb minority which Serbia and the Serb-led federal army supported.

On Monday, only 150 members of the National Guard and police obeyed an order from their commander to stop fighting in the face of overwhelming army forces. The rest headed for Mitnica.

But a guardsman who gave himself up said it was impossible to tell how many had decided to fight on.

"Croatian forces in Vukovar have not surrendered," Hebrang said in Zagreb.

Army Captain Radojica Szorcan said: "This is it. Those who wanted to leave are out and those who didn't — we're free to clear them out."

Many civilian refugees left the town with tears in their eyes and few belongings, their homes destroyed.

"Damn Vukovar, damn my whole life," one woman wailed. "I have nothing left but the bag in my hand."

Croatian guardsmen who surrendered were detained for barge against the release of Serbian prisoners of war in Croatia.

Civilians were taken to dispersal camps under the supervision of International Red Cross and EC monitors for checkups. The army said they would then be free to go where they pleased.

Croatian spokesmen said the level of military activity in the breakaway republic began to rise again Monday despite a ceasefire which came into force Saturday. The army blamed Croatian forces for provoking most violations.

A collapse of the ceasefire would end the prospect, currently being assessed by United Nations envoy Cyrus Vance, of U.N.

peacekeeping forces being deployed in Croatia.

Meanwhile, the president of the Yugoslav Republic of Bosnia-Herzegovina said Monday there was a danger it could be dragged into the Serb-Croat conflict because some of its citizens had already joined in the fighting.

"We are doing everything possible to avoid involvement in the war which would be totally destructive to our republic," President Alija Izetbegovic told a news conference in Athens during a one-day visit.

"There is a possibility of Bosnia-Herzegovina becoming involved (in the war) and a number of people are illegally armed," he said.

The vast central republic has borders with both Serbia and Croatia, principal antagonists in the fighting, and is seen as especially volatile because of its explosive ethnic mix.

Its population of about four million is about 40 per cent Muslim, 40 per cent Serbian and 20 per cent Croatian. Mr. Izetbegovic said that although his republic refused to send troops to the Yugoslav army, a number of citizens were secretly and illegally armed and fighting as volunteers on opposing sides in the war in Croatia.



Helmut Kohl

## Kohl to intervene in Soviet row over Honecker

**BONN (R)** — Chancellor Helmut Kohl, frustrated that ex-east German Communist leader Erich Honecker has become a pawn in a Soviet power struggle, vowed Monday to intervene personally to have him returned to stand trial in Germany.

"There will be contact (with Soviet President Mikhail Gorbachev)," Mr. Kohl, who is on first-name terms with the Kremlin chief, told reporters in Potsdam.

Mr. Kohl's spokesman confirmed the chancellor would personally intervene because of the failure so far of German attempts to have Mr. Honecker returned. These have foundered because of a feud between Mr. Gorbachev and Russian President Boris Yeltsin over who has authority over the exiled Honecker.

The Russian government decided Friday to expel Mr. Honecker, but Germany's mass-circulation Bild newspaper said in a report from Moscow Monday that Mr. Honecker had officially asked the Soviet government for political asylum.

Mr. Yeltsin's Justice Minister Nikolai Fyodorov told reporters in Bonn Monday Mr. Honecker could be returned soon.

"If no (unforeseen) circumstances crop up, it's a question of days or weeks," he said.

Mr. Kohl, speaking in Potsdam three days before a planned visit by Mr. Yeltsin to Germany, said he would make it clear to both the Soviet and Russian leaderships "that it is up to a state based on the rule of law to pursue such a legal process."

The controversy over Mr. Honecker complicated because there is no extradition treaty between Bonn and Mr.

Mr. Honecker, 71, who was spirited out of united Germany in March to Moscow aboard a Soviet military plane, faces manslaughter charges at home.

These arise from his shoot-to-kill orders to guards manning the Berlin Wall and east German border during the cold war. He has lived in exile in or near Moscow since early this year.

In Berlin, one of Mr. Honecker's attorneys said the former east German leader's life would be endangered by imprisonment.

"He could of course withstand transport (back to Germany), but I fear the worst if he is jailed," lawyer Friedrich Wolff said. "When I think that he might have to sit in prison, I don't know if he can survive."

Mr. Wolff said two cancer operations had left Mr. Honecker in fragile health and he also suffered from high blood pressure.

German Justice Minister Klaus Kinkel, who appeared with Mr. Fyodorov at a news conference, said: "We hope soon to have the chance to put Honecker on trial."

## WORLD NEWS IN BRIEF

### German jet crashes off Dutch coast

**AMSTERDAM (R)** — Two German Air Force pilots were feared dead after their Tornado fighter jet crashed off the Dutch coast, a spokesman for the Dutch Air Force said Tuesday. Rescue ships and helicopters were still searching for the missing pilots Tuesday morning after parts of the wreckage of the Tornado were spotted near Vlieland — an island off the northwest coast of the Netherlands. "We are still searching, but we fear that the pilots must be dead by now," the spokesman said. The German Tornado was taking part in a routine exercise in Dutch airspace when it crashed Monday. The cause of the crash is not known. On Oct. 31, two German Navy Tornados collided over the sea between Denmark and Norway. All four crew members ejected and were picked up by Danish Navy helicopters. But one of the pilots later died of exposure.

### Senior Bonn aide accused of spying

**KARLSRUHE, Germany (R)** — A senior Interior Ministry official has been arrested on suspicion of spying for more than a decade for the former Communist east German government, the federal prosecutor said Tuesday. His office said in a statement that the man, identified only as Mathias R., 40, was suspected of passing on confidential documents that he saw in the course of his work at the federal administration offices in Cologne. He was arrested Sunday and was being held in custody for questioning, the statement said. It said the man, who had the codename "beck," was paid up to 1,000 marks (\$625) a month for his espionage activities and was highly decorated by the east German Ministry for State Security (MfS).

### Deadly chemical weapon leaks in U.S.

**NEWPORT, Indiana (R)** — A deadly chemical weapon that can kill on contact with skin leaked from a storage tank at an ammunition plant here, but U.S. army officials said Monday that the amount was too tiny to pose any threat. "It was probably a 50th of a drop," said Bob Whitstone, a spokesman for the Newport army ammunition plant. He said there was no danger to personnel or the surrounding area. The chemical agent involved is called VX. Mr. Whitstone said. One drop properly placed can kill in a matter of minutes, he said. The valve involved will be removed in the next two weeks for tests, he said. The substance has been stored at the plant since 1968.

### Fragile Salvador peace broken

**SAN SALVADOR (R)** — El Salvador's fragile new peace was shattered almost as soon as it began when four soldiers and two leftist rebels died in weekend clashes, the armed forces said. The army said troops and rebels clashed in four of the country's 14 provinces at the weekend, but there were no other reports of casualties. A military spokesman said the six died in fighting between government troops and guerrillas of the Farabundo Marti National Liberation Front near the village of Suchitoto, 45 kilometres north of San Salvador. He did not say if the clashes took place on Saturday or Sunday. The rebels had announced a unilateral ceasefire from midnight Friday to foster progress in United Nations-sponsored peace talks aimed at ending 12 years of civil war.

### Bonner condemns Soviet rights abuses

**SEATTLE (R)** — Soviet Human rights campaigner Yelena Bonner has condemned what she said were human rights abuses in Azerbaijan and Ossetia. The retired Soviet physician was speaking at a news conference Monday in Seattle, where she was to present a lecture on human rights in memory of her Nobel Peace Prize-winning husband, Andrei Sakharov, on Tuesday evening. She said the four-year persecution of Armenians by Azerbaijanians in the Nagorno-Karabakh region was forcing a deportation that "sometimes is even more cruel than under (Soviet dictator Joseph) Stalin's time." Azerbaijani attackers have sold bodies to families of their Armenian victims for as much as 20,000 roubles — or about five years wages — so the families may bury them, Ms. Bonner said. Ms. Bonner called on Western leaders to be tough on Soviet human rights issues, adding: "The West has easily betrayed its principles."

### Woerner: No alternative to NATO

**BERLIN (R)** — The U.S.-led NATO alliance will be the sole effective guarantor of peace for the foreseeable future, but welcomes a stronger complementary European role, NATO Secretary General Manfred Woerner has said. In a speech in Berlin, Mr. Woerner said the post-cold war era had widened the realm of security management to the Western European Union (WEU), a revived defence bloc, and the European Community (EC). "But none of these institutions can replace NATO... neither the WEU nor the peacetime EC political union will be able to provide the operative defence potential that is impossible without American help," he said. "In areas of air support, strategic transport, logistics and intelligence, cooperation with the United States is indispensable." Mr. Woerner told the German Atlantic Society. There is concern in NATO, especially in the United States and Britain, that initiatives by France and Germany to revive the long-dormant WEU and create a European army could weaken the North Atlantic alliance.

### Nicaraguan groups sign peace pact

**JINOTEGA, Nicaragua (R)** — A peace pact between rival Nicaraguan guerrilla groups made up of ex-contras rebels and former Sandinista soldiers has raised the chances of finally bringing quiet to the country's battlefield. Leaders of the so-called "re-contras" met heads of a force of former Sandinista soldiers, known as the "re-compas", in an abandoned army base in northern Nicaragua Monday. With observers from the Organisation of American States, the government and the army looking on, the two groups signed a non-aggression pact and agreed to work together to pressure President Violeta Chamorro to carry out promises of land, housing and farm credits.

## Gorbachev fears violent unrest if food shortages grow any worse

**BONN (R)** — Soviet President Mikhail Gorbachev said he feared violent unrest in the Soviet Union if severe food shortages grow any worse, the German magazine Stern reported on Monday.

"If we do not get the social and economic situation under control, if foodstuffs become even more scarce, people's bitterness will increase. And this bitterness could lead to violent unrest," he told the magazine in an interview.

"That would be very dangerous for everyone," he added in the interview, released ahead of publication later this week.

Mr. Gorbachev said the crisis could only be mastered if the Soviet Union did not break apart. He backed reforms to the Soviet state now under way. But he termed keeping the union in one piece his top priority and

swore to fight "separatist tendencies".

The reformed Soviet Union should be a federation of sovereign democratic states "with a common armed force, one citizenship, a coordinated foreign policy and a single market," Mr. Gorbachev told Stern.

Russian President Boris Yeltsin was playing "the leading role, the top role" in forming a new union, Mr. Gorbachev said.

Russia and six other Soviet republics pledged in principle last week to support a new union, known as the "Union of Sovereign States" or USS.

But the absence of five republics, including the powerful Ukraine, seriously undermined the importance of the draft treaty worked out with Mr. Gorbachev's State Council, the sup-

reme governing body since a failed conservative coup in Moscow in August.

Extracts from the draft published by Soviet newspapers indicate the new union will have very limited functions, though it will retain a single army.

Mr. Gorbachev hinted in Stern he could resign if the Soviet state reforms failed to do more than produce "an amorphous form that nobody needs."

"It will not take part in that kind of development," he added. Mr. Gorbachev said he did not know whether he would run for president of the new union, a post the seven republics decided would be directly elected.

Direct election could rule out Gorbachev, whose popularity is at a low ebb within the Soviet Union.

## U.S. disappointed China failed to move on human rights

**WASHINGTON (R)** — The White House and several members of Congress said Monday they were very disappointed that U.S. Secretary of State James Baker's talks with Chinese leaders failed to produce progress on human rights.

Mr. Baker's three-day visit ended Sunday having produced limited progress on problems of trade and arms proliferation, but Chinese leaders brushed aside his stern message on human rights abuses.

"We're very disappointed," White House spokesman Marlin Fitzwater told reporters.

Several members of Congress called the visit a failure and suggested it would reinforce congressional opposition to President George Bush's efforts to retain close ties with China.

Prior to the trip — the highest-level official U.S. visit since the 1989 crackdown against the pro-democracy movement in Tiananmen Square — members of Congress had said it would need to be justified by significant progress on U.S. concerns.

"One of the major missions Secretary Baker took to China was to try to get progress on human rights," Mr. Fitzwater said.

He said Mr. Baker delivered a letter from Mr. Bush for Chinese leader Deng Xiaoping and the "central thrust of that was to press for human rights improvements."

Senator Max Baucus, a Democrat from Montana, said he was concerned by reports indicating the administration might be re-linking applications by China and Taiwan to join the international trade organisation, the General Agreement on Tariffs and Trade (GATT). He said that would be inconsistent with an administration pledge to work in support of Taiwan's application.

Sen. Baucus also urged that Peking's commitments to Mr. Baker on arms control be followed up by its signature on nuclear and missile export control agreements.

## Genscher urges Europe to seize chance for unity

**PARIS (R)** — German Foreign Minister Hans-Dietrich Genscher, stressing that united Germany remained committed to European integration, urged the European Community (EC) Tuesday to seize a historic opportunity for unification.

"Germany heartily used its opportunity for unification in 1990. Will Europe use its opportunity for unification?" Mr. Genscher asked, addressing the French parliament's Foreign Affairs Committee.

"History does not repeat offers. That was true for Germany and it is true for Europe," Mr. Genscher told a closed-door

session, according to a prepared text of his remarks. "I appeal most earnestly to our EC partners to act on this insight."

France and Germany, the core and motor of European unification, must ensure that next month's EC summit in Maastricht, the Netherlands, took a decisive step to strengthen the Community's integration, Mr. Genscher said.

The two countries have proposed that the 12-nation group set a common foreign and security policy with a joint army corps to implement it. Britain and the Netherlands have criticised the proposed military force as duplicating NATO.

## UNESCO: 100 million children cannot go to school

**MANILA (R)** — More than 100 million children across the world still have no access to schooling, UNESCO Director-General Federico Mayor said Tuesday.

Mr. Mayor said the United Nations Educational, Scientific and Cultural Organisation (UNESCO) was battling to make basic education a major issue on global and national agendas.

But efforts to educate more children in southern Asia and sub-Saharan Africa were being undermined by crushing external debt, domestic unrest and deep-rooted poverty, Mr. Mayor said at the opening of a regional conference on Education in South East Asia.

Illiteracy rates in several of the poorest Third World countries remained above 50 per cent. Mr. Mayor said education was under challenge for many reasons.

"For many countries in sub-Saharan Africa and southern Asia, for example, crushing external debt, internal strife, and absolute poverty conspire to make literacy and EFA (education for all) goals an ever-receding target," he declared.

"Even if they spend proportionately more of their budgets on education than other countries and receive larger amounts of external assistance, both quality and participation rates seem to be eroding," Mr. Mayor added, without identifying the countries.

He said in richer industrialised nations, the problems were different but equally serious. "In the countries of the North, there is a sometimes reluctant acknowledgement that universal primary schooling can conceal potentially explosive problems beneath the surface."

These included declining levels of quality and achievement, "even compared to countries spending only a fraction of what they spend on schooling a growing rejection by the young of irrelevant programmes of study, and persistent neglect of special groups not catered for by standard schooling systems."

## U.S., Pakistan open talks on nuclear row

**ISLAMABAD (R)** — A senior U.S. State Department official opened talks with Pakistan Tuesday over a nuclear weapons row that has halted all American aid for more than a year.

Under-Secretary of State Reginald Bartholomew arrived Monday from talks in Peking that included China's delivery of nuclear-capable missiles to Pakistan.

The main focus of the two days of talks will be nuclear issues and U.S. insistence that Pakistan roll

back its efforts to make weapons-grade uranium.

Pakistan rejected widespread claims that it is at least a threshold nuclear power and that it is developing nuclear weapons at its super-secret Kahuta facility outside Islamabad.

It used to be the third highest recipient of U.S. aid, but President George Bush halted all military and new economic aid a year ago when he refused to certify under the presser amendment that Pakistan was not becoming a nuclear power.

## White House says Duke should get out of politics

**WASHINGTON (R)** — The White House has said the loss by a landslide of former Ku Klux Klansman David Duke in Louisiana's election for governor showed that Mr. Duke has no place in politics and should get out.

"We don't think he should be elected or should be involved in politics," spokesman Marlin Fitzwater told reporters.

Democrat Edwin Edwards handily defeated Mr. Duke, a self-described Republican, in Saturday's election in Louisiana to gain a fourth term to the

governor's office. Mr. Duke has left the door open for a run at the White House in 1992. He also may run for a seat in Congress. He gained 39 per cent of the vote in the Louisiana race.

"I may run for other office, I don't know yet. I'm looking at it," Mr. Duke told CNN Monday. "There's a possibility of running in a Republican primary for president. I'm going to have to see about that."

Some political commentators have charged the Republicans have themselves to blame for Mr. Duke.

## COLUMN

### Pavarotti honoured

**LONDON (R)** — Opera superstar Luciano Pavarotti, considered one of the world's greatest living tenors, was given a special award. Australian Diva Joan Sutherland presented Pavarotti with the Artist of the Year Award created for him by classical music magazine, Gramophone. Sutherland, who gave the young Pavarotti his first break when she sang with him at the Royal Opera House as he embarked on his career nearly 30 years ago, was also honoured with an award for her lifelong contribution to opera. Receiving the award, Pavarotti said: "It is given to me from the arm of my beautiful colleague Joan Sutherland, so which award can be better than this?" The Italian tenor, who has been credited with bringing opera to the masses, last appeared at an open-air concert in London's Hyde Park in July when more than 100,000 fans braved pouring rain to hear the burly singer. Sutherland, who retired last year after more than 30 years as one of the world's top divas, received the Award For Lifetime Achievement.

### Brando's daughter flown to Tahiti

**PARIS (AP)** — Actor Marlon Brando's daughter, Cheyenne, flew from France to Tahiti under police custody as part of an investigation into the killing of her lover, officials said. Accompanied by two doctors and two police officers, Miss Brando, 21, left Charles de Gaulle-Roissy Airport aboard a French military flight Monday morning amid great secrecy. She will be interrogated on her arrival in Papeete, Tahiti, by Jod. Max Gatti, who has been investigating Miss Brando's link to the slaying of her lover, Dag Drollet, in May 1990. It was not clear whether Miss Brando would be kept in custody once Gatti finished the interview. Miss Brando's half-brother, Christian Brando, is serving a 10-year prison sentence for voluntary manslaughter in California for shooting Drollet to death near Marlon Brando's mansion in southern California.

### U2 fever hits Dublin

**DUBLIN (R)** — Dublin record stores stayed open through Sunday night to sell copies of the latest album by top-selling Irish rock group U2. Achtung Baby was recorded in Berlin by the group called "Rock's hottest ticket" by Time magazine. The album is being promoted with six East German trabant cars bought especially for display in Dublin stores. U2's last two albums have sold 25 million copies worldwide and their latest single The Fly went straight to number one in Britain and Ireland when, in a clever marketing ploy, it was sold on limited release for just three weeks. Profits from the new album's sales in South Africa are to go to anti-apartheid organisations. U2 urge fans to join the environment group Greenpeace and support Amnesty International in campaigns to release prisoners in Vietnam and Malawi. Bass player Adam Clayton caused a flutter of controversy in Ireland for posing nude on the front cover of the record. The band's members have paid the penalty for worldwide fame. Lead singer Bono has received death threats, female admirers travel across the world to camp outside his Dublin home, and an obsessive Californian fan claimed the lyrics of a U2 song drove him to murder. Their last live concert in Dublin on New York's Eve last year was beamed live to a global audience of 500 million. They are rehearsing for another worldwide tour due to start in February.

### 10-year-old Salvadoran wins U.N. prize

**SAN SALVADOR (R)** — A 10-year-old Salvadoran girl whose drawing of children playing and doves of peace won a United Nations prize flew to New York to give the U.N. secretary-general a gift of beans and bananas. Lidia Rodriguez, who lives in the village of Las Vuelitas, 81 kilometres north of San Salvador in the war-torn province of Chalatenango, won a drawing contest on the theme of peace organised by the U.N. human rights observatory in El Salvador, known as ONUSAL. Lidia and her father Francisco took gifts of "ayote" (pumpkin) sweets, bananas, beans and two T-shirts bearing the ONUSAL logo, a U.N. spokesman said. They said the T-shirts were for Mr. Perez de Cuellar's granddaughters. The spokesman said, adding he was not sure if the bananas and beans would be allowed through U.S. customs checks.

Handwritten note in Arabic script: "هذا من ليلى"